NEW ADVERTISEMENTS.

On no occasion will the names of Old Advertisements be inserted here.

London Music Store—E. Miles.
Her Majesty's Theatre—Mr Arthur Skotchley.
Auction Sale—H. McLean.
Her Majesty's Theatre—Benefit of Mr. and Mrs. J. W. Lanergan.
Roanoke Tobacco Company—F. W. Henshaw.
Notice of Application.
Ottawa Provisional Battalion Rifles.
Teacher Wanted.
Electors of the Township of Fitzroy—W. Taylor.

The Ottawa Times

City and County Official Paper.

THURSDAY, DECEMBER 5, 1867.

THE Commercial Bank Bill was read a third time and passed, and the Intercolonial Railway Bill introduced in the Commons yesterday. After a few unimportant items had been disposed of the Hon. Mr. MACNOUGALL introduced his resolutions on the North-west Territory, which we published on Saturday morning. He made a most able and exhaustive speech, explaining the resolutions *seriatim*, and pointing out the position the Hudson's Bay Company would occupy in relation to the Government of the Dominion. In the evening, Mr. BODWELL and Mr. HOWE spoke in opposition to the resolutions, the latter intimating that he would move a series of resolutions in amendment at a future stage of the debate. Col. GRAY replied to Mr. HOWE. The debate was continued by Messrs. ANGLIN, CARTIER and SIMPSON, and ad journed, Mr. THOMPSON (N. Ontario) having the floor. Mr. SIMPSON, (Algoma) delivered his maiden effort and made a most interesting speech. The House adjourned at 11:45.

MR. WADDINGTON, of Victoria, Vancouver Island, who is now in Ottawa on his way to England on matters connected with a line of road through British Columbia, which, in the event of an overland communication being established through British North America, would form an important link in it; has been requested by several prominent members of Parliament to explain to them in public the details of the same as regards British Columbia, with which he is so well acquainted.

In furtherance of this wish, the SPEAKER of the House of Commons having kindly placed at his disposal the Railway Committee Room, Mr. WADDINGTON will take pleasure in meeting such gentlemen as may feel an interest in the subject at 3 o'clock, p. m., on Saturday next, the 7th instant. We hope that there will be a large attendance as the question is one of very great importance.

MR. WALSH brought up the question of the "American Silver Nuisance" yesterday, on a resolution that it be made legal tender at the rate of eighty cents on the dollar. The Finance Minister asked him to withdraw the motion, as the Government had the whole question of the currency under consideration, and would as soon as practicable introduce a measure into Parliament in relation to it. The discussion on the motion was brief, and we cannot say that we perceived the efficiency of Mr. WALSH's proposal. If American Silver, having no legal tender value in this country, has been able to circulate in ordinary retail trade at par, is it reasonable to suppose that giving it a legal tender value of eighty cents will check its circulation? The experience of New Brunswick, referred to by Mr. WALSH, does not, to our way of thinking, help the case. There, the people, without legislative interference, and merely by common consent, adopted the system of receiving American Silver, not as legal tender, but as currency at a discount of twenty per cent, and as a matter of course the "Silver Nuisance" was speedily abated, if it had ever prevailed, in the sister Province. But here, common consent has reversed the case. We have practically recognised American Silver as currency at par value in one class of transactions, and at a discount of four per cent (average) in another class, and all this despite its being destitute of any legal tender value at all. Hence we have a depreciated currency, kept afloat mainly in the interest of the brokers, and we do not see that the evil is to be remedied by affixing a legal, so far below its actual value. We think the reduction of the value of our own dollar to one-fifth of the English sovereign would practically meet the case, without legislating about American Silver at all; but the question is a very difficult one to deal with, and we are glad that Mr. WALSH has called attention to it, as undoubtedly the country expects some remedy at the hands of the Government.

LOCAL NEWS.

A FINE assortment of Lamps, Chandeliers and Hall Lamps, can be got at the Coal Oil Depot, D: R. Leavens, 73 Sussex-st.—597-a

ACKNOWLEDGMENT.—The Sisters of Charity acknowledge a donation from B. Fisher of $60.50, collected in B. Bartlett's shanties on the Gatineau.

YOUNG & HADFORD have just received, per express, a fresh supply of the celebrated Waltham American watches, in gold and silver cases; also, a choice lot of the Canada Watch Company of London, England, watches, in gold and silver cases. Inspection invited. Remember the place, 30, Sparks-st.

RUNAWAY AND BREAK-DOWN.—About noon yesterday as one of Mr. Buckley's carriages was leaving the Russell House. The horses took a sudden turn and in some way one of the wheels and the axle were wrenched off. The wheel was completely smashed, but beyond that the carriage is not much injured. A lady was in the carriage at the time, but we believe escaped injury.

POLICE COURT.—There was no business done at this court yesterday morning, but in the afternoon Jane Tierney was brought up charged with passing five half dollars on Mrs. McComb, who being called on to give evidence said that not liking the money, she gave it back to the prisoner. It was therefore not produced, as that no one could prove it to be counterfeit, and the case was dismissed.

A FRIGHTFUL ACCIDENT.—We learn that a young French Canadian girl employed at the woollen factory at New Edinburgh, while working at a picker, had her arm drawn between the feed rollers to the cylinder, which is armed with spikes of from 2½ to 3 inches in length and revolving at a high rate of speed, which inflicted such terrible injuries as to destroy that limb to the elbow.

SUPPER AND PRESENTATION OF A SWORD TO CAPT. SMYTHE OF THE P. W. 100th REGT.

A number of the old friends of Capt. Smythe met together at P. O'Meara's saloon on Tuesday evening, for the purpose of presenting him with a sword, and a farewell supper on the eve of his departure to join his regiment in Montreal. Among those present on the occasion were many of the volunteer officers of the city and county of Carleton. The Reverend Father Dawson, supported by Major Scale and Dr. Garvey as vice-presidents, occupied the chair. On behalf of the citizens of Ottawa the chairman presented the sword with a suitable address.

Capt. Smythe replied in a very feeling manner.

The sword, which is a very beautiful one, is the new regulation Infantry pattern, with fine damascened-blade, and bears the inscription, "Presented to Capt. Smythe by the citizens of Ottawa."

After the presentation the company sat down to a really sumptuous repast, prepared by Mr. Patrick O'Meara in his best style, the viands being all that an epicure could desire.

The cloth being removed. The rev. Chairman proposed The Queen, God Bless Her, which was drunk with all the honors.

The next toast was the Prince and Princess of Wales and all the Royal family.

The third toast was His Excellency the Governor-General of Canada.

Song—by Major Scale, "The Real Old Irish Gentleman."

The next toast was the Army and Navy of Great Britain and the Volunteers of Canada, which was eloquently responded to by Capt. Smythe, Major Scale, Col. Grant, Capt. Parsons and Capt. Morgan, of the 43rd Carleton Battalion.

The next toast proposed by the Chairman was "Our Guest," which elicited an eloquent and appropriate speech from Capt. Smythe, which we are sorry to omit, as we are obliged to omit all the others by the pressure of Parliamentary intelligence.

Major Scale sung "I cannot sing the old song."

All the toasts were prefaced by remarks from the chairman, appropriate to the different subjects.

Major Scale, from one of the vice chairs, proposed the Prince of Wales Royal Canadian 100th Regiment, to which Captain Smythe responded, giving the history of the Regiment since its organization, and took occasion to offer some remarks on the Abyssinian expedition, expressing a sincere wish that he was engaged in it with the brave 100th.

A song by the whole company.

Major Scale proposed the Legislature of the Dominion of Canada.

Mr. Chamberlin, M. P., was then called upon, and delivered a happy and instructive address.

The Bar of Canada was then proposed, which brought out Mr. Lyon Fellowes in a sound speech. After which the charge of the Light Brigade was well recited by Mr. E. K. MacGillivray.

The Mayor and Corporation of Ottawa, to which Mr. Goodwin, Mr. Andrew Campbell, and other gentlemen, responded.

The Press was next proposed, and responded to by the members of the Press present.

The Ladies were then proposed, and responded to by Captain Parsons.

Mr. George Moss then proposed the 43rd Battalion of Carleton. Responded to by Major Scale and Captain Morgan.

Our Host was then given, to which Mr. O'Meara responded.

The happy reunion was then brought to a close, and after bidding a long and friendly farewell to Captain Smythe, the company separated.

THEATRICAL.—Leah, the Forsaken Jewess, was played at the Theatre last night to a good house, in a most effective manner. All the actors greatly distinguished themselves, but Mrs. Lanergan rose to the full height of a tragic actress. Mr. Lanergan also sustained his *role* in first-class style, as did also Mr. Tyler in Rudolph. Mrs. Dunn is fast rising in popular favor, and wins golden opinions every night. Mr. Lanergan takes his benefit to-night, under the distinguished patronage of Lord Monck and Colonel Lord Alexander Russell. The pieces selected for the occasion being The Loan of a Lover, and Don Cæsar de Bazan, Mr. Lanergan appearing as the *Don*, and Mrs. Lanergan as *Maritana*. The band of the Rifle Brigade will supply the music. Mr. Mason's ben-fit, given by the St. George's Society, comes off to-morrow night.

RAILWAY LAW.

PLAIN SPEAKING BY THE CHIEF JUSTICE OF NOVA SCOTIA.

In his charge to the Grand Jury at Halifax the Lord Chief Justice of Nova Scotia, said, among other things, concerning the recent fatal railway accidents on the Nova Scotia Railway:

"I have to call your attention to the unfortunate deaths which have lately occurred on our railway. One of these was the lamented death of Dr. Hogan, a young man of high character and promise, the chief support of his widowed mother and sisters. He was killed, as you know, on the train coming from Bedford. I have no wish or disposition to inflame or to excite prejudice against the railway officials. I believe Mr. Marshall and Mr. Taylor are competent to their duties, but there is no doubt in the world that there was gross negligence in both these cases, and it would be wrong for me, addressing the Grand Jury, to withhold the view I take of these fatal accidents.

Then, the other day an Indian was killed, and the most valuable life in the community might have been equally sacrificed. At the inquest the man employed said:—' I believe that the deceased came to his death in consequence of a sleeper not being high enough to prevent the cars passing over it. On several occasions I have seen the cars pass over the sleeper referred to; accidents of a similar kind would have occurred had persons been placed as the deceased was, between the rail and the building. I never reported the circumstances to any of the officials, thinking they might see for themselves.'"

I have looked into the law on this subject with a good deal of care, and I find there is a material defect in our Railway Acts. Our Acts provide amply for the safety of the road, punishing every one who obstructs it, &c. There are clauses, however, in the English and Canadian Railway Acts, punishing gross neglect and misconduct in the railway officials which are omitted in ours. The Imperial Act, 3 and 4 Vic., chap. 97, sec. 13, provides that any engine driver, guard, porter, or servant in the employ of a company, who shall be found drunk while employed on the railway, or shall commit any offence against any of the by-laws, regulations, or rules of the company, or who shall willfully, maliciously, or negligently do or omit to do any act whereby the life or limbs of any person passing along or being upon the railway, or the works thereof, shall be injured or endangered, shall be subject to prosecution, &c. The Imperial Act 24 and 25 Vic., chap. 100, sec. 34, provides that whosoever by any unlawful act, or by any wilful omission or neglect, shall endanger, or cause to be endangered, the safety of any person being in or upon the railway shall be guilty of misdemeanour, and liable to punishment. The Canadian law substantially adopts these Acts.

At the present moment, I think it doubtful whether an indictment would lie against the parties who have been guilty of the negligence or omission which caused these deaths. In England and Canada an indictment would undoubtedly lie against them. But at common law the cases are conflicting. I therefore invite your attention, and through you that of the public to this matter. It is high time to extend the law which prevails on this subject in Canada and England to this country—high time that every man employed in and about our railways, and who by any omission or failure of duty shall endanger the safety of passengers, and *a fortiori* who shall occasion their death, shall be criminally responsible in this court, and punished as an example and terror to all others in the like case offending."

CARPETS AND HOUSE FURNISHINGS.—Garland, Mutchmor & Co., 20 Sparks-st, make a speciality of carpets and house furnishings. They have a large stock, comprising new choice patterns in Brussels tapestry, two and three ply carpettings, to which they are making weekly additions. Carpets made and laid with despatch. Inspection invited. 582-y

CANADIAN PARLIAMENT.

1st PARLIAMENT: 1st SESSION.

THE SENATE.

MONDAY, Dec. 2, 1867.

(Continued.)

Hon. Mr. MITCHELL—Before anything is done of such a nature, he might be permitted to assure the House that every detail would be submitted to Parliament; but it was not, in his opinion, the thing for a free people to submit to be at the mercy of any mere association of private individuals in remote countries.

Hon. Mr. MACPHERSON—If the Hon. Minister of Marine and Fisheries does not seek, or rather intend using, the power which the Bill gives him, why is any such power mentioned in the Bill?

Hon. Mr. MITCHELL—It will enable me to take all the steps preliminary to the formation of such an association, and to the framing of measures having a tendency to advance and protect our maritime and commercial interests.

Hon. Mr. MACPHERSON did not certainly perceive that it was necessary to give the Minister of Marine and Fisheries any such power as he claimed the right to possess. In time, no doubt, a Canadian Lloyds would spring up, but he did not believe that at any time under the close and immediate, he might say direct, supervision of the Canadian Government, such an institution would prosper. One thing certainly occurred to him, and that was that the Bill should be freed from all ambiguities. Already there was an Act which had been introduced by the Hon. Postmaster-General, then Commissioner of Crown Lands, regulating the fisheries, and this Bill, it appeared to him, attempted to do precisely the same thing, and in fact would override the Act now in existence.

Hon. Mr. McCULLY—Not at all. The Union Act keeps all those things intact.

Hon. Mr. MITCHELL had no objection whatever to the fullest possible discussion of every detail, as well as of the general principle of the Bill, which as a matter of course, would be afforded when the Bill came into Committee of the whole, and he should indeed be most happy to receive any suggestion from hon. members, and would gladly weigh any recommendations which should then be made for its amendment and improvement.

Hon. Mr. ODELL thanked the hon. mover of the Bill for the explanations which he had offered, though he regretted that his duty required him to set aside from his mind those explanations altogether, and merely look to the wording of the Bill itself. The explanations, no doubt, might be considered by many as very satisfactory, but whether they were or were not so, they did not alter the wording of the Act, nor give to that wording any different sense or interpretation than the words employed must necessarily convey. It is with the Bill which the House has to do, and in that Bill the Minister of Marine is to have powers which must inevitably clash with those of the Local Legislatures under the Act of Union, and he was not disposed to consent that any powers such as those sought for by the Bill should be given to any Government, and he hoped that the ability to confer such duties as were specified in the Bill, upon one of their own officers, would never be conferred upon the Government by the Senate—would never, indeed, be entertained. Extraordinary powers have frequently been given to Governments to meet extraordinary emergencies, to meet some particular case that might arise, but he could not consent to confer any such extraordinary powers upon a Government, when the existing laws are sufficient to meet the alleged object sought to be attained. He contended that Harbor Commissionerships and Harbor Masters was a power vested by the Act of Union in the Local Legislatures, and which the Hon. Minister of Marine admits to be strictly correct, and what then does the Bill mean by requiring that the whole control, management, and supervision of these matters, the classification of vessels, and direction of trade, should be in the hands of the Minister of Marine. He certainly objected to the conferring of a power which the Minister of Marine himself states he is not prepared to exercise.

After some further discussion as to the propriety of delay, in view of an outside expression of opinion, the Bill was read a second time and ordered for consideration in Committee of the whole on Wednesday next, and the House adjourned.

TUESDAY, Dec. 3, 1867.

The SPEAKER took the Chair at three o'clock.

After routine

Hon. Mr. SKEAD moved that Rule 62 be suspended in so far as it relates to the Bill to incorporate the Intercolonial Insurance Company.—Carried.

POSTAL SERVICE REGULATION BILL

Hon. Mr. CAMPBELL in rising to move the second reading of this Bill, said that he proposed to ask the House to consider several clauses in the measure concerning which they could come to no absolute decision, as they only came properly in the first instance under the control of the other branch of Parliament, but should the Bill pass that House then these clauses would become parts of it and would be submitted again to the Senate. Notwithstanding this slight embarrassment he had deemed it best in the interests of the public service to submit the measure as it was, and to afford the House an opportunity of going into the whole subject. He proposed to make a somewhat full statement in reference to the various matters treated of, including the clauses to which he had referred, and which hon. members would find enclosed in brackets. In bringing up this Bill he need hardly say that he had, and could have, no other object in view than the public convenience and benefit, by rendering the Postal Service if possible more perfect and useful. If in the course of the examination to which the Bill would be submitted by the House, any defects were discovered he begged to say he would most readily consider any suggestions hon. members might feel at liberty to offer. Before, however, proceeding to the contents of the Bill, he would take the opportunity of reviewing the present position of the Postal Service, not in Canada only, but also in the Provinces of Nova Scotia and New Brunswick. As Parliament was about to legislate on this subject for all the Provinces in the Confederation, it was reasonable that the members should be put as nearly as possible in possession of all the facts connected with the working of the system throughout the Dominion. Up to the year 1851 the Post Office services of the several colonies in question had been under the control of the Imperial Post Office, but during that year, in consequence of negociations with the parent State, this important business was transferred to the care of the several Provinces, under certain conditions, however, as to the rates to be charged, which were to be the same in them all, and also, as to the Imperial Packet Service. The Postal Service then formed the subject of legislation in the several Provinces, and in some particulars there had been a divergence between them in the legislation enacted. In certain respects he thought the results would prove that the system pursued by Canada, would commend itself as the most satisfactory. In all the colonies the Postmasters were Crown appointments. In Canada and New Brunswick the Postmasters-General had always been political officers, but it had not been so in Nova Scotia. In the cities of Canada, such as Quebec, Montreal, Ottawa, Kingston, Toronto, Hamilton, and London, the Postmasters were paid by salaries, but in all other places by commissions on the amount of their transactions. In the Lower Provinces the offices were divided into Post Offices and Way Offices; the Post Offices being paid by salaries, the others by commissions. This sufficiently described the system, so far as it related to the appointment and remuneration of the postmasters. As to the rate of postage, it was fixed in 1857 at 5 cents for prepayment and 7 cents when not prepaid. In Canada there was besides a system of drop letters, that is of letters posted in a locality to be delivered in the same, and for this service 2 cents per letter was charged, and he understood that in New Brunswick the same system had been extended to frontier towns, so that a letter dropped in a frontier town in that Province was delivered in an adjoining frontier town in Maine for 2 cents. In Nova Scotia it was carried still further, as a letter would be delivered in any part of the country in which it was mailed for the same sum. The 5 cent and the 7 cent rates were general throughout the British Provinces. Thus for 5 cents prepaid a letter could be sent from any part of Ontario to any part of Nova Scotia. With reference to the postage of Great Britain it was 12½ cents by the Allan line of steamers, which sailed from Montreal and Quebec in summer and from Portland in winter. In two of the Provinces which chiefly used the Cunard line the same rate was paid on mails by Halifax, but in Canada if the correspondents availed themselves of the Cunard line, the rate was 17 cents or 12½ cents, and 24 sterling for United States transit rate, fixed by an agreement between the United States and Great Britain. In Nova Scotia correspondents using the Allan line paid 5 cents extra to cover the postage to Portland. In Canada books and samples were brought by the ocean steamers for 3d sterling per 4 ounces.

Hon. Mr. ODELL said that the system of drop letters in New Brunswick did not extend to American frontier towns: this was a misapprehension.

Hon. Mr. CAMPBELL must have been misinformed, but he thought he had learned it from official reports. In Nova Scotia letters from Halifax were sent by the Cunard steamers to Boston for 10 cents, and from the interior for 13½ cents. In all the colonies the postage on books and printed matter was paid to the frontiers of the United States, and the United States paid their own to the British frontiers in the same way. He now came to the important part of the measure and one concerning which, probably some difference of opinion would be found to exist in the minds of hon. members from the Lower Provinces—he alluded to the postage on newspapers. In the Lower Provinces this service was free. In New Brunswick whether the papers were sent from the office of publication or were mailed by individuals, there was no charge for postage. In Nova Scotia British and Colonial papers, as well as religious periodicals, were carried without charge, the others paid one cent. In Canada papers sent from the publishing office were charged one half cent and the amount was collected from the subscribers quarterly in advance, but if the postage was only paid at the time the papers were delivered the charge was one cent per paper. In all the Provinces exchanges were carried free of charge. The rate in Canada on periodicals was one cent per 4 ounces, in New Brunswick 2. In Nova Scotia when sent from the office of publication they were free, when sent otherwise 2 cents. In Canada books were carried at 1 cent per ounce; in New Brunswick there was no mail book system and as far as he had ascertained none in Nova Scotia.

Hon. Mr. McCULLY—Yes, we have that privilege.

Hon. Mr. CAMPBELL—Notwithstanding the general principle in Canada there were exceptions, as papers and small periodicals relating to education, temperance and science were free, but in New Brunswick all were free. In Nova Scotia one cent an ounce was charged on each periodical. In Canada there was a parcel post which carried packages up to 3 lbs. for 25 cents, in the Lower Provinces there was not any.

Hon. Mr. McCULLY—Yes, a parcel post had lately been established in Nova Scotia.

Hon. Mr. CAMPBELL—In Canada patterns and samples were also carried by mail, but he was not aware that any arrangement of this kind existed in the Lower Provinces. In Canada the correspondence of all the Public Departments was free; in New Brunswick only Post Office Department letters were free.

Hon. Mr. McCULLY—In the Lower Provinces all the official correspondence was changed, and the Post Office Department credited with the amount.

Hon. Mr. CAMPBELL—Then the registration system differed in the several Provinces. In Canada the registration fee was 2 cents, always prepaid; in New Brunswick 5 cents, when prepaid, and 10 cents when not; in Nova Scotia it was 10 cents, and must be always prepaid. With respect to dead letters the system was very much the same. They were kept three months, and if not applied for were opened to find the owners. Then the modes of entering into mail contracts were different. In Canada the Post Office Department was obliged to accept the lowest tender, unless there were strong reasons for refusing, but those reasons had to be reported to Parliament. In the Lower Provinces there was no statutary provisions on that subject, and the arrangements were left to the decision of the Postmaster-General. These divergencies had all supervened since the transfer of the postal service to the several Provinces by the Imperial Government in 1851. The results would best be understood probably by exhibiting the receipts and expenditure of the Postal Department in the Provinces for 5 or 6 years. He had not deemed it necessary to go so far back as 1851, as that would have entailed an unnecessary labor upon the officers, but he had commenced the comparison with the year 1860, and taken the revenues and expenses in the several Provinces. The results would probably appear somewhat favorable to Canada, and he thought the principal reason would be found in the collection of newspaper postage. The postal revenue in Canada in 1861 was $683,034 and the expenditure $719,056, showing a deficit of $36,022 or 5¼ per cent on revenue. In New Brunswick for the same year the revenue was $46,658 and the expenditure $71,187, showing a deficit of $24,529 or 52½ per cent. In Nova Scotia for the same year the revenue was $40,052 and the expenditure $69,444, showing a deficit of $29,392 or 73 per cent. In 1862 in Canada the revenue was $723,052 and the expenditure $750,514, showing a surplus of $27,462 or 4 per cent. In New Brunswick the revenue for the same year was $46,489 and the expenditure $69,625, showing a deficit of $23,156 or 50 per cent. In Nova Scotia for the same year the revenue was $45,100 and the expenditure $68,305, showing a deficit of $23,205 or 52 per cent. In Canada in 1863 the revenue was $759,478 and the expenditure $73,057, showing a surplus of $6,3.8 or nearly one per cent. In New Brunswick for the same year the revenue was $46,146 and the expenditure $67,384, showing a deficit of $21,241 or 46 p r cent. In Nova Scotia for the same year the revenue was $48,174 and the expenditure $70,389, showing a deficit of $22,215 or 46 per cent. In Canada for the year 1864 the revenue was $829,505 and the expenditure $803,962, showing a surplus of $25,843 or 3 per cent. In New Brunswick for the same year the revenue was $51,184 and the expenditure $71,974, showing a deficit of $21,790 or 39 per cent. In Nova Scotia for the same year the revenue was $56,207 and the expenditure $73,163, showing a deficit of $16,956 or 30 per cent. In Canada for the year 1865 the revenue was $834,096 and the expenditure $851,870, showing a deficit of $17,773 or about 2½ per cent. In New Brunswick for the same year the revenue was $51,278 and the expenditure $71,996, showing a deficit of $20,627 or 40 per cent. In Nova Scotia for the same year the revenue was $62,371 and the expenditure $80,947, showing a deficit of $18,576 or 30 per cent. In Canada for the year 1866 the revenue was $878,413 and the expenditure $894,561, showing a deficit of $16,147 or nearly 2 per cent. In New Brunswick the revenue for the same year was $56,509 and the expenditure $72,546, showing a deficit of $16,036 or 30 per cent. In Nova Scotia for the same year the revenue was $69,010 and the expenditure $86,127, showing a deficit of $17,116 or 25 per cent. In Canada for the year 1867 the revenue was $914,783 and the expenditure $924,319, showing a deficit of $9,536 or 1 per cent. The results for the Lower Provinces for last year could not be stated as no returns had yet reached the Department. It was also proper to state that the expenditure of Canada embraced a sum of $60,000 charged to the Department as part contribution to the subsidy paid by the Government for the ocean mail steamers.

Hon. Mr. FERRIER—This was not the whole subsidy.

Hon. Mr. CAMPBELL—No, only part of it. Anterior to 1861 several contracts were made for the ocean mail service. The first was with the firm of McLarty and Co., of Liverpool, which broke down within less than a year. The next was with the Messrs. Allan of Montreal who were paid £24,000 per annum for a fortnightly service. The next was with the same firm for a weekly service, and they received $220,000. The next was entered into in April 1860, again with the same house, and the Government agreed to pay them $416,000 per annum. That year the line suffered several grave mishaps, and it fell somewhat into disrepute, the result was that the contract was abrogated. The fifth contract was made in 1864 for a weekly service, and at the rate of $218,000 per annum. Of this sum, as he had stated, the Post Office Department was charged with $60,000 as their share of the services rendered by the line to the country, the balance being regarded as payment for the general advantages the country received from the enterprise. This payment of $60,000 by the Post Office Department should be borne in mind in estimating the relative results of postal operations in the Provinces, for as he understood the other Provinces were subject to no charge of this kind.

Hon. Mr. McCULLY—No; but the Imperial Government receives the whole of the Ocean Mail Postage, to and from those Provinces, whereas Canada receives the postage on the mail matter carried by its steamers.

Hon. Mr. CAMPBELL—Then there were other large differences against Canada. For instance it paid large sums for Railway Service, but it did not appear from any reports he had ever seen that the Post Office Departments in the Lower Provinces were charged anything for this service, although they had considerable lines of railway.

Hon. Mr. McCULLY could speak for Nova Scotia, and happened to know that in that Province the railways were paid at a certain rate per mile for carrying the mails. The Railway Commissioners debited the post office and the Government recredited the Department.

Hon. Mr. CAMPBELL—Well, there was no trace of such arrangement that he had seen in the Public Accounts of that Province. The payments in Canada by the Post Office Department to the railways were very large, and had been causes of serious disputes, which, however, had been finally satisfactorily settled.

Hon. Mr. BOTSFORD—Were these claims over and above the sums stated for the service?

Hon. Mr. CAMPBELL—No; but they had formed large accumulations over what the Government had deemed themselves bound to pay. The difficulties were arranged by an arbitration composed of Mr. Chancellor Blake, Hon. Judge Day and Mr. Wicksteed. The claims were adjusted and the awards paid, and on the recommendations of the arbitrators, certain rates of remuneration for the future were adopted. The Grand Trunk was paid $150 per mile, per annum, which last year amounted to $150,275; the Great Western $124 per mile, per annum, being less of an artery than the Grand Trunk, and the gross sum paid the company last year was $44,237. Other and smaller railways serving as collateral lines were paid 8 cents per train, per mile on passenger trains, on mixed trains with a post office car 6 cents and on ordinary trains 2 cents. Now he was under the impression that there was no equivalent payments for Postal Service in the Lower Provinces, but as the hon. member (Hon. Mr. McCully) had stated there were in Nova Scotia, at least it must, of course, be so. The hon. Minister of Marine had just informed him that there were no railway mail charges made in New Brunswick. Now, taking these facts into consideration, he thought he was entitled to say that after the statements he had produced the results of the postal system in Canada were very strongly marked in its favor.

Hon. Mr. McCULLY repeated that the Government in Nova Scotia paid the railways for the Postal Service, for he himself had been in charge of the railways, and knew that some difficulty had arisen as to the amount which should be allowed them therefor.

Hon. Mr. MITCHELL said he held in his hand the accounts, and no such charge appeared in them.

Hon. Mr. CAMPBELL—Well, the results were doubtless strongly shown by the larger revenues in Canada. As to the extent of the services rendered by the Postal System of Canada, he begged to state a few figures. The number of post offices in Canada in 1866, were 2,333, the number of miles of mail travel 6,500,000; the number of letters 14,000,000 and newspapers 14,200,000. In New Brunswick the same year, there were 46 post offices and 392 way offices, the number of miles of mail travel 179,000, and letters carried 1,738,000. In Nova Scotia in 1865, there were 81 post offices and 513 way offices; the number of miles of mail travel 1,005,000 and of letters carried 1,725,000. He had seen no official record of the number of newspapers carried in either of the Lower Provinces, but from a newspaper article copied into the Ottawa TIMES, he learned that in New Brunswick in 1865, they amounted to 3,729,000, exclusive of those brought by the Ocean Steamships which might make 50,000 more. As to postage stamps sold in Canada in 1866, they amounted to $480,000, in New Brunswick to $38,000, and in Nova Scotia in 1865 to $54,000. The next item was the money order business. In Canada in 1866, the issues were $1,720,000; in New Brunswick $.80,000 and in Nova Scotia in 1865, $378,000. The charges upon money orders were the same in all the Provinces. For sterling orders drawn on Great Britain, the commissions were for £2 and under, 25 cents; for £5 and under, 50 cents; for £7 and under, 75 cents; and for £10 and under, $1. The Local Orders were issued at ¼ per cent on the amount. In Canada they were graduated by steps of $20 and in the Lower Provinces by $10, the Departments having the benefit of the fractional differences of commission between the smaller and larger sums. Here the hon. Postmaster-General repeated his conviction that the results were in favor of the Canadian system, and that on the whole it might be considered as highly satisfactory.

Hon. Mr. WILMOT said he did not see in the Canada Postal Accounts the charge of $60,000 for Ocean Mail Service.

Hon. Mr. CAMPBELL—It was charged with other sums under the head of payment for Steamboat Service. There were several other items coming under the same head: for instance $1,000 per trip was paid to a line which went to the Lower Ports, £1,000 for Steamboat Service on the Ottawa, and another sum to the steamers between Quebec and Montreal, and others besides.

Hon. Mr. ANDERSON—Perhaps the postage collected by Canada on the letters carried by its Ocean Mail Line might more than defray this sum of $60,000, whereas, the Imperial Government had the benefit of all the Ocean postage to and from the Lower Provinces.

Hon. Mr. CAMPBELL—Was all the sea postage on such letters in the Lower Provinces paid to the Imperial Government?

Hon. Mr. ANDERSON—It was all paid into the Commissariat for the Imperial Post Office.

Hon. Mr. McCULLY—The arrangement, he thought, operated against the Lower Provinces, for while Canada might collect more than the $60,000 it paid for the service, the Imperial Government received all that was collected in those Provinces for the same kind of service, except a very small fraction.

Hon. Mr. CAMPBELL—Well, the facts mentioned by the hon. memb., subject to correction, no doubt modified in some degree the conclusions he had drawn as to the comparative results of the Postal systems in the several Provinces. Now it was with reference to the Postal service and Postage charges in those Provinces, in the stage which he had described, that the present Bill was prepared and submitted. The main changes proposed to be made by the measure, related to the charge on local letters, to newspaper postage, to the time for payment of the latter, and to the establishment of Savings Banks. He was somewhat embarrassed as to which subject he should treat of first. He did not suppose, however, that any objection would be made to the reduction on the rate of letter postage. Everybody seemed disposed to pronounce this at least a good measure, though some newspapers had said the Bill did not go far enough, and that the rate should have been reduced to two cents. They saw some charm in the figure 2 which they did not see in the figure 3, but he himself could not discover it. In Great Britain to be sure the rate was 2 cents, but it was only after a long time that it had succeeded. When the rate was reduced to that charge the Postal revenue showed a surplus of a million and a half of pounds sterling, but it was only within two or three years that the Department had reached the position as to surplus revenue it had twenty years ago. Then England was a very different country from Canada. Here we had long distances to carry the mails and through a sparse population, whereas there the reverse was the case. The analogy was greater in respect to the United States, and yet even there the advantages were greater than in this country, and there the rate was 3 cents. Yet after much careful consideration and counsel with the Deputy Postmaster-General, who he had no hesitation to say, was one of the most valuable officers this or any other country ever had, he had resolved to recommend a prepaid letter rate of 3 cents in future, and this he thought was as low as it was possible to go. In doing so the country would have to meet a considerable deficiency, but it was done under circumstances which made him sanguine that in a short time it would be overcome, and a surplus be again attained. In his opinion it was desirable that the Postal service should be expected to yield a revenue. The service should be performed as low as possible, and if it paid its way that was all that should be desired. But judging by the experience of the past and the prospect of increased correspondence, he did not think it would be more than two years before the income and expenses were equalised. The calculations he had made would probably enable the House to see whether his expectations were well founded. The revenue for the whole Dominion in 1867 was estimated at $1,050,000. From this gross sum there were to be deducted certain items which would not be influenced by the change proposed. The ocean postage, the parcel postage, the newspaper postage, and the United States postage, fell within its category, and deducting these, the sum of $600,000 derived from the 5 cent rate only would be affected by the reduction. On this sum a reduction of two-fifths, or $240,000, would take place. But assuming that in consequence of the change there should be an increase of 25 per cent in the correspondence (as was the case in the United States, when in 1851 they reduced the rates 22 per cent, and increased the correspondence by 30) a considerable part of the deficit would already be made up. Then supposing the newspaper postage was agreed to—a proposition which he knew did not meet with favor on the part of the Lower Province members—and applied to the whole Dominion, and moreover that the exemptions in favor of religious, educational and temperance publications were abolished, there would be other considerable offsets to the deficiency. These items, he thought, would yield an increase of $40,000, and the dead letters $10,000 more. Altogether, the increase, the newspaper postage, the withdrawal of exemptions, and the dead letters, were expected to give $140,000, which, put against the estimated deficit of $240,000, would leave only $100,000 to be provided for at the end of the first year. Now if his expectations were realized, he hoped that in two years the Department would again be self-sustaining. He was persuaded that the more hon. members reflected upon the subject the more they would be satisfied that it would be injudicious to reduce the letter rate below three cents. Then as to the charge on newspapers. He must take it for granted that whatever course was pursued, all parts of the Dominion in this respect must be placed upon terms of equality. It could not be supposed that any difference should be made in favor of any one or two Provinces. If all parts of the Dominion were to be placed upon terms of equality in all respects, and the Lower Provinces must be exempted from the payment of newspaper postage, then both Ontario and Quebec must be so too, and this would involve the surrender of at least $90,000 yearly, of which $40,000 would be from papers published and despatched from the publishing offices, in the Provinces, and the rest from foreign papers, and papers mailed by private parties. Now in his opinion the large postal deficiencies in the Lower Provinces had arisen from the relinquishment of the news paper charge. He had now before him the report of Mr. Odell, P. M. G. for New Brunswick, and he stated the newspapers carried in that Province as 3,629,000, exclusive of those which were brought by the Ocean steamers, a whole estimate being about 4,000,000. He had no official statement for Nova Scotia, but it was said they would reach there at out 5,000,000, upon all of which 9,000,000 there was no postage. Now the question for the House to consider was whether these nine millions, with the fourteen million two hundred thousand carried in Canada, would henceforth be free of charge?

Hon. Mr. WILMOT—Supposing a newspaper from Canada had a stamp, could it not be carried through New Brunswick free?

Hon. Mr. CAMPBELL—It was not of much use arguing that question. One argument against the newspaper postage was that it was a tax upon knowledge, since it was said to hinder its dissemination by means of such newspapers. This argument had, no doubt, a specious sound. It was one of the principal ones contained in a series of resolutions of the press of New Brunswick, which he would now read:

1st. That the press being a prominent means of enlightening and educating the people, it is unwise to circumscribe the sphere of its influence by the imposition of a tax, which must in most cases have this effect, and which being novel in the Maritime Provinces, would be the more severely felt, and especially in the rural districts, and would be appealed to as an evidence of the injurious effects of Confederation.

2nd. That the principle of exempting the press from postage, on the ground of its being a means of promoting education, and diffusing scientific and general knowledge, is now recognized in the Consolidated States of Canada.

3rd. That the imposition of newspaper postage would involve additional labor, risk and expense on the part of publishers, to an extent at least equal to the amount of revenue derived from this source, and would therefore place additional burden on a class of persons who pay their fair share of taxation otherwise.

4th. That the collection of newspaper postage, if made effective, and accompanied by proper checks and rigid surveillance over publishers' issue lists, must involve so much additional expenditure on the part of the post office as would tend materially to decrease the revenue derived from this source.

5th. That the carrying of newspapers imposed very little expense on the Post Office Department in addition to what is incurred by the carrying of letters; all other legitimate means of raising a revenue should for this and other reasons already stated be exhausted before this mode of doing so should be adopted.

6th. That the representatives of New Brunswick in Parliament, who concur in the sentiment expressed in these resolutions, be respectfully requested to use their influence to prevent the imposition of newspaper postage.

The other journals published in our Province have been communicated with by telegraph, and their concurrence in the above resolutions has been received.

Well, as to the tax on knowledge, he must confess he did not see much force in the argument. A tax was an impost levied for the benefit of the State.

Hon. Mr. McCULLY here referred to some of the statements of the Postmaster-General with reference to the mail matter in Nova Scotia, and read from the Journals of the Parliament of that Province some items which seemed to conflict with them.

Hon. Mr. WIER—These statements only refer to the City of Halifax.

Hon. Mr. CAMPBELL, resuming, said the argument of a tax on knowledge could not be sustained. It was not a tax, but a charge for a service rendered. Surely it could not be said with truth that the agent who carried an article at the very lowest possible cost imposed a tax upon it. The reverse was rather the case, and instead of the Post