

if possible. We know very well that the Banks afford great accommodation to the country at large. When a farmer wishes to purchase flour or goods at a time when he cannot conveniently pay for them, he gets some friend to join him in a note, and by getting this note discounted he obtains money to buy the articles he requires, and in this way obtains them at a cheaper rate than if bought on credit. If, then, this money is to be taken out of the Banks, and our circulating medium lessened so that that accommodation is curtailed, it must affect us to a very great degree. If the money were to be paid in the Island, no loan would be required. I consider, Sir, that those hon. members engaging in an irrelevant discussion, have not the interest of the country at heart.

Hon. Mr. DUNCAN.—I do not understand the argument of the hon. member who has just sat down. He must remember that the money borrowed will eventually have to be paid in England.

Mr. P. SINCLAIR.—The country may be in a very different position ten years hence. If we can do anything to relieve the country now, we should do it. The Island ten years hence, or when the principal of the loan is payable, will be able to look after itself.

Hon. Mr. McAULAY.—There is much in what has been said by the hon. member for New London, (Mr. Sinclair), but he forgets the fact that if a loan is obtained in England, the interest will have to be sent from the Island annually, which would not be the case were a loan obtained here. This is a strong argument in favor of borrowing the money if required on the Island. If a loan be obtained out of the country, the capital now here would seek foreign investment.

Hon. Mr. HOWLAN.—I am surprised that the hon. member for Belfast, (Mr. Duncan) should state that the Cunard Estate will be self-sustaining, when he must be aware of the Report that was submitted to the Council Board. How can he, knowing the nature of that Report, assert that there will be little or no loss on that Estate? He has also tried to impress us with the fact that only £7000 will be really taken from the circulation by the Cunard Estate payments, but he must remember that by taking that sum in exchange from the Banks, their circulation is really lessened by three times the amount. This withdrawal of specie takes place at a time when we cannot afford to have any portion of our circulating medium withdrawn. As regards the loss to the country, and the purchase of the Cunard Estate, it must be remembered that there are large tracts of that Estate which will never sell for the price paid by the Government for them. The Commissioner of Crown Lands himself, told me that when he made his report he thought that the loss would probably be £30,000. I would be sorry to make the loss £30,000 or £10,000, but I think the facts of the case will bear me out in saying, that the estate cannot be self-sustaining. The hon. member must bear in mind, that though a large amount has been paid in by the people, the Banks have to provide exchange for the whole amount which has to be remitted.

Hon. Mr. DUNCAN.—I said that £11,220 had been paid in by the tenants, and that therefore, there would be only £7000 left for the Government to pay.

Hon. Mr. HOWLAN.—Yes, but the whole £18,000 is drawn off in exchange. If the amount which had to be paid were four times greater—say £72,000—it would cripple all the Banks in the Island. This smaller amount then of £18,000, has a proportionate effect. The hon. member says that there is always sufficient money in the country to purchase our produce, oats, &c., for export. He must remember that

by the purchase and shipping of this produce, exchange is obtained, and there is no withdrawal of money from the country.

Hon. Mr. DUNCAN.—The Banks do not require to have gold in their vaults, for they can issue three times the amount of their paid up capital, if they believe there will be no drain upon them. I think I have made it clear that the Banks are not discounting, because the discounts are not required for circulation.

Progress reported, and House adjourned for one hour.

AFTERNOON SESSION.

House again in Committee on consideration of Address in answer to His Excellency's Speech.

Hon. ATTORNEY GENERAL.—Mr. Chairman, the hon. the Leader of the Opposition moved an adjournment of the debate in the forenoon. If any hon. member desires to speak further to the question, I do not wish to interfere.

Hon. Mr. DAVIES.—I wish, Mr. Chairman, to answer a charge brought against me, in the course of this debate about my Confederate views, because I voted for Dr. Jenkins. I said to Dr. Jenkins in the Sheriff's Court on the day of nomination of Candidates for this House: "Doctor, if you wish to be returned, you will have to give up Confederate views; I shall not countenance them, neither will the Liberals." The Doctor said he could not support such views. But I said, "Doctor, what we want is men who will oppose Confederation, will you do so if returned?" Doctor Jenkins answered "I will," and knowing his high sense of honor, I felt—and so did the whole community—that he would keep his word. Under these circumstances, Sir, did I vote for that gentleman, and I think I was perfectly justified in the course I pursued. I did the same with the gentleman for whom I voted in Georgetown, the Hon. Mr. McAulay. With respect to the paragraph in reply to His Excellency's Speech now before this Committee, I think, that if hon. members have objections to offer, they should submit them in the form of a resolution. Sir, it is several years since I sat in this House. I became a member of the Legislature in 1850. I belonged to the Escheat party, and, Sir, I am not ashamed to own it. I joined the Liberal party, because I thought that they would press the just claims of the people. A good deal has been said about what the claims of the people were. Now, Sir, what was the question? Why, one between the public and the proprietors? The Land Question is not, as it has been too successfully promulgated by the proprietary minions, a question between the tenantry and their landlords. The Escheat party acted upon a different plea. The Land Question, Sir, is one between the public and the proprietors. Before Responsible Government was granted, it was a question between the proprietors and the Crown; therefore, it follows, that the Escheat had been established prior to the introduction of Responsible Government, and their lands had been escheated, it would have reverted to the Crown; but if the lands had been escheated after the introduction of Responsible Government, such would have become the property of the Colony. This is the way they have deceived the people of this Island, and the Home Government too,