

in 1851.\* Doubtless there were special causes contributing to this state of things, and I do not anticipate precisely the same results here, but it is my duty, if the House, or any members of it, choose to assume that the fact of a rapid increase in the past is necessarily a proof that an equally rapid increase is to be looked for in the future—to call attention to the fact that that great country, though it increased in essential prosperity in all respects in that interval, remained on one occasion without any great increase taking place in its imports for a period of no less than 15 years, and that a similar phenomenon repeatedly occurred at other times, though not on so large a scale. The House will therefore see that the problem before us is of a complex character. Not only have we to provide for certain fixed heavy annual engagements, but we have also to meet promissory notes, if I may so term them, maturing at different dates over a long term of years. Therefore it is necessary to keep stronger than if we were simply dealing with the ordinary annual expenditure, and if any other expenditures we were about to incur were strictly within our own control. I may here allude to the statement made by the hon. member for Kingston in the debate on the Address. He said that I remarked last year that I would be prepared to reduce taxation during the course of the year. I beg to state that was not what I said, as you will see on referring to my speech. I stated that I did not think if those supplies were granted it was at all likely that it would be necessary to come before the House again for fresh taxation. Now, sir, I am not aware that there are any other points of interest upon which hon. members will require explanation. If there are, I shall be glad to give them either now or at a later stage in the evening. I think we may very fairly congratulate ourselves that our financial position has materially improved since last year. All immediate demands (which were considerable), have been fully met; there are no pressing claims upon us, with the exception of those for public works, for at least a year or two; we have a reasonable surplus on the transactions of last year; and I have every reason to believe that we shall also have a reasonable surplus on those of the current year. It may also be added that we have so far made no inroads upon that valuable reserve, the Imperial Guarantee. We have completed the Intercolonial Railway and the Prince Edward Island Rail-

\*NOTE.—See Table of Imports into the United States for this term given in Appendix.