

On the same occasion I explained the negotiation in England of £313,300 sterling, which represented debentures of municipal corporations given in discharge of their reduced indebtedness to the Province. My explanations were accepted as satisfactory by both sides of the House, but this was subsequently made the basis of a newspaper attack in connection with the general elections, but it was satisfactorily disposed of no less by your verdict in August, 1875, than by that of a jury; and on the repetition of this charge in September, 1878, and another suit having been commenced by me the gravamen of the charge was entirely withdrawn. So far as the pecuniary results were concerned, the facts conclusively showed that the Province had realized more from these debentures than was possible in any other way. The rate of interest on the debentures was 5 per cent. and the discount allowed purchasers did not make their investment exceed $6\frac{1}{2}$ per cent.

In one of the tables also submitted by me to the House it will appear that no less than 1,110 miles of additional railway had been completed since 1st July, 1867, and that of 20 railways aided through the liberal administration by the Government of the railway fund, 18 had made considerable progress, and that of 852 miles of railway aided, more than one-half had, on that date, been completed. It further appeared that while the amount of banking capital in the province in 1867 was about \$13,000,000, on the 13th September, 1874, it amounted to \$16,197,250; and the deposits had increased from \$14,000,000 in 1867 to \$20,442,570 in September, 1874.

During this Second Parliament, which had been elected under the auspices of Mr. Sandfield Macdonald's Government, in the total House of 82 members, the Government could rely upon a majority of 18 to 20 on all party divisions. The last Session was held in November, 1874, in order to allow the elections for the next Legislative Assembly to be held in January, 1875.

FIRST SESSION OF THIRD PARLIAMENT—1875-6.

The Act of 1874 increased the number of members of the Legislative Assembly to 88, and the result of the elections was to give Mr. Mowat's Administration the support of a larger majority than in the previous Legislature throughout this Third Parliament. Possessing this strength, the Government was able to make further advances in the way of remedial and necessary legislation on important subjects, as well as to exhibit a still more vigorous administration.

This Session began on the 25th November, 1875, it being then held in order to comply with the Constitution, which requires at least one Session of the Legislature in each year; and at its close, on the 10th February, 1876, 114 Acts were assented to by the Lieutenant-Governor, 36 of these being for public objects, and 78 for private, 20 thereof being in respect of Railways, or for their incorporation. The public measures were for the following objects:—Vital statistics; amendments to the municipal elections; amendments to the law suggested by the