

would have found that he is entirely inaccurate. By the Receiver General's account, it appears that the sum of \$40,000 was issued in Treasury notes, and an amount of \$42,000 was borrowed from the Savings' Bank. The Treasury notes were issued on the authority of the House, in connection with the new Provincial Building, and \$42,000 was borrowed towards the construction of the Pictou Railway. The sum of \$148,000, which I show is the balance in the general treasury for my disposal, is totally independent of the \$32,000 in question. In the Receiver General's account there is paid for the Pictou Railway \$21,000, and the balance is brought up as outstanding liability against the Province, as a glance at schedule B of the estimates will show. Then there is the sum of \$40,000 of treasury notes. By an Act passed in 1863, the Government were authorised to issue Province notes not to exceed \$40,000, and to take from the Savings' Bank a sum not to exceed \$60,000 for the purchase of the lot known as Hare's lot, and the erection thereon of the public building now in course of construction.

In accordance with this authority, the lot was purchased, the building contracted for, and up to the 30th Sept. last the account of that building with the Province stood as follows:—

From Savings Bank in 1863.....	\$36,000
New Notes in 1864.....	40,000
	\$76,000
Paid for Land.....	\$39,644.30
On acc't of building in 1864... ..	6,116.45
	45,760.75

Leaving a balance of.....\$30,239.25 being the amount brought up as a liability against the Province, as the hon. gentleman would have seen at a glance had he taken the trouble to consult the papers which have been under his hands for weeks—before attempting to prejudice the government by statements entirely without foundation and greatly calculated to mislead those not having the ready access to the public accounts which the hon. gentleman can command. The hon. member then proceeded to question the soundness of the estimate for the present year, and compared the receipts of the past two quarters with those of last year. The house will recollect that the actual custom's receipts were \$999,000. Now I have before me the contingency of a revulsion of trade—the probability that in view of events transpiring in the United States there might be a serious reduction in the revenue received from our imports. Therefore I estimate \$79,000 less than was actually received last year. There is nothing that I can see in the circumstances of the country—apart from any great convulsion of trade that nothing at times can prevent—to warrant us in coming to the conclusion that the year is not to be a prosperous one in a commercial and financial point of view. We see in the island of Cape Breton which is making such rapid progress in all the elements of prosperity, immense sums of money are being expended for the development of its resources and the construction of the Railway. Under such circumstances the people in that section must be better able than heretofore to buy largely of dutiable goods. We have the assurance that capitalists are ready to expend an

enormous sum of money in proportion to our population in the extension of our lines of railway. Again, the Province is going on with the construction of the Pictou line. According to the hon. member we are this year to expend a million and a half of dollars among our people in connection with this work. All these facts show that there will be a large amount of money in circulation, and as the people will buy in proportion to their ability to pay, the consumption of dutiable articles must largely increase with the increased circulation of money. Therefore, apart from the general favorable condition of the country, I think, under all the circumstances, no man is justified in saying, that for this year at all events the ordinary receipts from our ordinary sources of revenue are to be largely reduced. I am not, however, obliged to deal in mere generalities on this point. I have, on a previous occasion, shown that in the first quarter of this year we had received over \$100,000 in excess of the same quarter last year; now we have another quarter gone by, the one ending in March. The revenue for that quarter is \$129,000, or an increase of over \$20,000 on the same quarter of last year. I can also state to the house that I had the assurance of gentlemen who can best speak as to the prospects of our revenue for the present quarter, that they are most favorable, and that, in fact, there will be an increase in the receipts over the same quarter of 1864. Under these circumstances I don't think the hon. gentleman was justified in drawing the alarming picture he has of the state of our affairs.

The hon. member went further, and charged the Government with recklessness in spending large sums of money. He complained that he had not the liabilities to the end of the year at hand,—that it was impossible for him to get at the exact condition of our financial affairs, and thereupon assumed that the expenditures were largely in excess of the receipts. My hon. friend from Richmond, when Financial Secretary, estimated largely in excess of the actual expenditure, and the paper which I hold in my hand shows that on the 30th Sept. the Receiver General had paid on the estimate of my hon. friend an amount very much less than the estimate.

Supposing the total expenditures to be as stated, yet the hon. member will find that the financial condition of the country is sound, and that there is no reason whatever why the country should be in the slightest degree alarmed as to its ability to meet the obligations it has incurred. The hon. member attempted to cause alarm respecting the sale of our debentures. Every man who has the interest of his country at heart must deprecate the attempt to prejudice the public mind in connection with the position which our debentures occupy in the market. I have reason to know that the discussions which have taken place in another branch of the Legislature have already deterred men from investing in these bonds to the extent they intended. Before an hon. gentleman endeavored to create mistrust and prejudice on the public mind in this respect, he should have at least grounds for so doing, and I for one cannot see that he has any. He is altogether in error in estimating the expenditure on the railway to be one and a half millions during the present season. I have reason to believe that the expenditure will be between 700 and