

From what I have stated it will be seen that the duty devolved upon the Finance Department of the Dominion, with reference to these two Provinces, of finding cash, in order to meet the engagements and existing debts—

Of Nova Scotia, to the amount of..... \$3,019,628

Of New Brunswick, to the amount of..... 2,128,358

Making a total, to be provided for by the means I have mentioned, of..... \$5,147,986

Of course these Provinces were entitled, under the terms of the Union Act, to have all their engagements promptly met by the Dominion, even if beyond the amount of debt which was fixed upon in order to equalize the liabilities to which the inhabitants of all the Provinces of the Dominion are subjected, and I only mention the amount to show the large demands which have been made upon the Finance Department of the Government. With reference to Ontario and Quebec, the relations are simpler, because in their case it was a dissolution of partnership and not the taking in of a new partner into the concern. It is very difficult to say what the amount of the debt of these Provinces will be in excess of the \$62,500,000, which is their quota under the Union Act. It has generally been estimated at \$8,700,000, but the precise figure it is for many reasons impossible now to state. One reason may be found in the Estimates which were laid before the House some days ago, from which it will be seen that there are considerable arrears in regard to which it is questionable whether they belong to the Dominion or not. Take for instance the arrears of grants to charitable institutions which were under discussion the other day; take the payments of considerable sums as retiring allowances to the officers of the Senate who were recently dispensed with; take the amount due by the Bank of Upper Canada; the arrears due by the Great Western and the Northern Railways, together with various other items, and it will be seen that at this time it is impossible to state the precise amount of debt which will be divided between Ontario and Quebec when it comes to be adjusted. I should be doing great violence to my own feelings if I did not here acknowledge the manner in which the Treasurers of Ontario and Quebec have acted in all transactions which have arisen between them and the Finance Department of the Dominion. I regard it as of the very greatest importance to the well-being of the country, and the satisfactory working of the Union, that there should continue to be the same amicable feeling between the officials of the various Provinces and those of the Dominion. And in referring especially to them I do not wish to except the officials of Nova Scotia, for although the Government of that Province is not very friendly to the Union, I must say that in their intercourse with the officers of the Finance Department, they have met every question that came up in a fair and straightforward manner, and have always displayed business like spirit highly satisfactory and creditable. The same spirit, I must add, has also been shown by the Local Government and the Treasurer of New Brunswick.

Hon. Mr. HOLTON—Will my honorable friend permit me to ask a