

Add Interest of Pictou Railway provided for in the Estimate.....	80,000
Add for increase of Revenue for the present Lines.....	150,000
Add increase of Casual Revenue.....	50,000
" increase of General Revenue three years hence \$60,000, average annual increase....	180,000
And we have a total of.....	\$543,000

Which we may reasonably calculate to have of increase of means to meet the liabilities for the Pictou Branch and the two lines now under consideration. The hon. leader of the opposition said that the net revenue of the railways for 1863 was \$22,000, and that of 1864 only \$1,000 more and he argued from that that we could not expect a larger increase. His statement only included three quarters of the past year and I have reason to know that the net revenue will come up to \$35,000 this year instead of \$23,000 as stated by him. I have also abundant evidence to prove that the sum of \$15,000 was expended in repairs last year which might more properly have been done this year, so that the cost of maintenance this year will be lessened by that amount. Then again when we consider the increased accommodation that will be afforded to the travelling public by the construction of these two additional lines, and the increased traffic that will result, I think we have every reason to anticipate in three years hence a revenue of \$150,000 as against the interest we will be then first called upon to pay. Then as regards the casual revenue, I think in view of the extensive mining operations in Cape Breton and elsewhere, I am largely within bounds in putting down an increase of \$50,000 and double that sum would be nearer the true estimate. Now, sir, I have endeavoured to give the reason why I anticipate an increase of the revenue, and to show that the gloomy forebodings of the hon. leader of the opposition are totally unfounded. But I shall refer him to the financial statement of his own finance minister (Mr. Annand) and show that they are directly at issue. [Mr. H. here read in corroboration] of his statement.]

I shall also read an extract from the speech of that same hon. gentleman upon a different subject, (Confederation,) and although I may not approve of the object for which the calculations were used, it matters not if the figures are correct. Mr. Annand, in his speech at Temperance Hall, went into calculations to prove that we were able to build all the Railways in question without any additional taxation. After referring to statements of Mr. Jones, proving the same position, he says:

The present total Provincial expenditure under the estimate of 1864, including interest,	
Amounts to.....	\$1,222,355
Supplementary Estimate.....	5,811
Pictou Railway.....	120,000
Subsidy to Annapolis Railway, 60 miles, £6-000 per mile, at 4 per cent., 20 years.....	86,800
Subsidy to Railway from Truro to N.B. Frontier, 70 miles, £10,000 per mile, at 4 per cent., 20 years.....	112,000
	\$1,546,566
Add for Militia.....	78,000
	\$1,624,000
Revenue for 1864, per Estimate.....	\$180,000
Gain on Gold fields in 1864.....	15,000
" Casual Revenue, 1864.....	10,000
" Custom and Excise, 1864, 150,000.....	
	\$1,355,000
	1,355,000
Deficiency.....	\$269,566

It will be perceived, then, that under our present tariff, which is by far the lowest in America, at the end of the present year the revenue would be sufficient to pay the interest on the Pictou, the Annapolis and the Intercolonial railway, provide for every public service as liberally as in 1864, leaving a deficiency of only \$269,566 to be provided for—[cheers.] This, too, is assuming that these railways were all *now* constructed, and the entire interest on the outlay payable from the treasury. We have now in hand a sum of money sufficient to pay the entire interest on the cost of the Pictou Railway, as well as \$55,000 additional, and this derived from the increase of revenue in 1864 alone—[cheers.] But as these railways cannot possibly be all constructed in less than three years from this date, let us see how we would stand at that period. I find upon examination of the amount of revenue collected in an average of five years, from 1853 to 1863, that the mean increase yearly on the total revenue was \$165,369! and that on the 10 per cent ad valorem duties alone the average increase was during those five years \$63,013—[cheers.] Now, sir, I might take the average of the total revenue, commencing on the 1st of January, 1865, for the next three years, at \$168,330 a year; but as our revenue may fluctuate, I take the increase at the very moderate average of \$30,000, and find that in three years the increase would amount to \$180,000; add increased earnings of present railways, \$75,000, and we have \$255,000 to meet a deficiency of \$269,566; and this result, this startling and astonishing result, may be attained, let it be recollected and understood, without the imposition of one farthing additional taxation—[loud and protracted cheering.]

Now, sir, I have given my own figures as to the amount of liability we are going to assume under the resolutions before the house; and I have given the calculations of the late Finl. Sec'y (Mr. Annand,) who puts the gross amount as the interest of the lines from Truro to Pictou, and New Brunswick and the line to Annapolis down at \$313,000 a year, and I have endeavoured to show, by a fair estimate of our probable increased revenue in three years hence, amounting to \$254,000, that that liability is within the compass of our resources, and will not infringe unnecessarily upon any ordinary public service.

This no doubt is an important question and it is the duty of every one to give it an attentive consideration. I have endeavoured to deal with it to the best of my judgment, and if I have made any mistakes in my calculations I am ready to correct them if any one can detect them. I think that this question ought not to be postponed any longer; it is of the utmost importance to this country that we should connect our Railway system with that of New Brunswick, and thus be brought into connection with the United States and Canada. By this route we could go to Montreal as quickly as by the Intercolonial Railway, the only difference being that in the one case, we would travel wholly through our own territory; with this connection complete the great object would be attained of making Halifax the nearest stopping place for all steamers from Europe. Passengers for Canada and the United States, after a long sea voyage would prefer taking rail for their various destinations, rather than embark again by steamer. Besides all this we must consider the immense amount of traffic which would be brought from Prince Edward Island, Cape Breton, and the Eastern Counties, and also from Cumberland and the neighbouring Province. Then again the Annapolis road will be the means of diverting trade which now finds its outlet at St. John, and will open up all the rich agricultural counties between Windsor and Annapolis. The hon. gentleman concluded by alluding to the advantages de-