

of capitalists have come into the country, and by the application of science, and skill, and means, very different results have been produced. Then, again, look at our coal mining interests, and the large amount of capital recently brought into the country to develop this important branch of industry. Everything in the way of capital brought into a country helps the agricultural and laboring classes, and increases the general prosperity, and consequently increases the revenue.

But it is said that a commercial crisis is going to take place in the United States, and that the business of this country is in an unsettled state. If a crisis does arrive (and I see no reason to anticipate it,) we, at all events will be in a better position to meet it than a country like the United States, over head and ears in debt. But I see no necessity for indulging in such a gloomy view of affairs. Looking at the increasing prosperity of the country, arising from the causes to which I have referred, I think there can be no doubt that we can afford to provide \$313,000 for railway interest, without interfering with the ordinary services of the country. The hon. member for Colchester seemed to doubt whether the expenditure of money for railway purposes was of any benefit to a country.

MR. ARCHIBALD—I did not say that.

HON. ATTY. GEN.—I do not wish to misrepresent the hon. gentleman, but he certainly said it was not calculated to increase the revenue. I ask him whether he was serious? Does he not know that the increased labor which the construction of these public works brings into a country necessitates the consumption of a larger quantity of articles upon which duty is levied—that in proportion to the number of the non-producing class will be the increased consumption of goods, and consequent increase of revenue. I hold, then, that the various enterprises now going on in this country are going largely to increase the importation of dutiable goods. Smuggling from the United States will be rendered impossible in consequence of the high rate of duties which will be kept upon goods in that country, and the trade will be largely with Europe for years to come, and the chances of smuggling in that proportion diminished. I, therefore, come to the conclusion that there is not the slightest grounds for the danger apprehended by the hon. leader of the Opposition as to the falling off of the revenue. He endeavored to show that we could not expect any beneficial effect upon our revenues from the construction of railroads, because during the years that the present lines were in course of construction no sensible increase was produced. But that is not a fair comparison. From 1855 to 1858 but a small section of the road was open—only about 9 miles—and it could not be expected that any advantages would be felt until the system had had a fair trial, and the people had begun to appreciate the convenience and benefits of railroad communication; still I contend that the expenditure of the money itself had a beneficial effect upon the revenues of these years.

The hon. leader of the Opposition endeavored to give as unfavorable an account as he possibly could of the present condition of our railroads, and tried to make us believe that they were nearly worn out. It is true that some portions of the road have worn, but they have been renewed, and are as good as new, and,

with some trifling exceptions, it is in as good a condition as it ever was. And I have good authority for saying that it is likely to last for eight years more with but little expense beyond a little ordinary wear and tear. The most of expense incurred for the last few years has been for fencing and renewing sleepers—the rails and chairs are as good as ever, and will last for years longer, and the rolling stock has been completely renovated. I think, then, that the facts will not bear out the hon. gentleman in the gloomy picture he has drawn.

The next thing he endeavored to do was to show that the revenue for this year would probably fall short of that of last year by 200,000 dollars. I ask him upon what foundation he rests his statement? If that be true, then the estimate laid upon the table by the Financial Secretary is erroneous, and ought not to have been adopted by the house. He begun by stating that the December quarter of 1861 was short by 63,000 dollars of the corresponding quarter of 1863, and he stated that that was the largest quarter of the year.

I find upon referring to the returns that the amount received in that quarter of 1863 was \$393,123 and in 1864 \$413,164. I do not know how he undertakes to make his calculations, if not by comparing one quarter with another. If he takes one month of one year and compares it with that of another, that is not the fair way of treating the subject, as the arrival of the fall or spring stocks may be thrown into one month or another, or even into a different quarter by the accident of a few days in the date of arrival. Now sir I shall endeavour to shew that instead of their being any probability of a falling off in 1865 there is every prospect of an increase. The December quarter which belongs to this year has produced \$413,164, and the March quarter \$129,820 making for the first half of 1865 \$542,984. From that date we may fairly assume that the July and September quarters will not fall short sufficient to absorb the large surplus for the two past quarters. What ground then I ask has the hon. gentleman for assuming that there will be a decrease of \$200,000, when the two first quarters show an increase of \$123,793, and more than this I have the best reason for knowing that the month of April this year will show a surplus of \$20,000 over that of last. Now then let any one compare the statement of both of us, and see where the facts would place the decision. I shall now call the attention of the house for a moment to a financial statement I hold in my hand, and which I think will convince any one that we are in a good condition to undertake the construction of these works. It is well known that the road grant this year is unusually large—\$264,000—while the largest regular appropriation ever before made for that service was \$160,000. We can then take this \$104,000 of extra grant, and still appropriate the largest sum ever given in any previous year towards the ordinary road and bridge service of the country. We can give the usual grant for navigation securities—we can provide for the St. Peters Canal, and the extension of the Lunatic Asylum, as well as all the other public services, including the largely increased School grant, and we can provide for the railways also.

Taking then the Extra Road Grant this year, \$104,000

Add Extra Grant this year for Navigation

Securities..... 29,000