

Hon. Mr. WOOD—With the exception of another \$50,000 we go on till July 1869.

Mr. BLAKE—The system is to pay in July, in advance for the whole of the year, until the next year.

Hon. Mr. WOOD—Yes.

Mr. BLAKE—That explanation is satisfactory.

Hon. Mr. WOOD, in regard to interest on undrawn balances, mentioned that, with his colleague, Hon. Mr. Cameron, he had had an interview with the Finance Minister of the Dominion, and the impression left on his (Mr. Wood's) mind was, that the Dominion Government would not stand in the way of the payment for these undrawn balances of a reasonable rate of interest. (Hear). He had no reason to doubt that the Government of Ottawa would do right in the matter.

Mr. BLAKE did not think this question of the interest on the undrawn balances a small one. If a bargain had been made beforehand with the Dominion Government relative to this interest, then the Province would have occupied its proper position. It was late enough to negotiate on the matter now.

Hon. CAMERON called attention to a provision of the Confederation Act, by which the Province was not entitled to the money until the question had been settled by arbitration, as to what was really coming to the Province. Hence the Provincial Government did not in fact appear to be in a position to negotiate this matter at the present moment. But they expected to be dealt with properly and justly.

The resolution was put and carried.

Hon. Mr. WOOD then moved a similar resolution with reference to statement No. 2—the expenditure made by the Treasurer of Ontario to 31st December, 1867.

Hon. Mr. McMURRICH asked an explanation of the item of \$333 33 to T. D. Harris, for rent of house on Duke street.

Hon. J. S. McDONALD said the Dominion Government had taken the house for the troops, under the impression that they would not be otherwise accommodated before the west wing of this building was required for the Crown Lands Department. The house had not been required, but, as it had been taken for a year at £200, the rent had to be paid. It had been advertised, but no tenant offered.

Mr. BLAKE thought the Dominion Government should have been held responsible. There were a number of other items which might call for explanation; but, as a Public Accounts Committee was promised for next session, and these statements would come under its supervision, he did not know that it was worth while to discuss them now.

The resolution was agreed to.

The resolutions were reported. Report to be received to-morrow.

#### REFUNDING FEES.

Mr. BLAKE moved that the fees on the Young Men's Christian Association Bill, be refunded. He said it had been the custom not to charge the promoters of a public charity with the expenses of an Act of incorporation.

Hon. Mr. WOOD said it was difficult to draw the line. In the case of the Odd Fellows' Bill, the fee was not refunded.

Hon. J. S. McDONALD suggested that the matter should stand till to-morrow.

Mr. BLAKE agreed.

Mr. SMITH (Middlesex) moved that the fees on Bill No. 53 be returned.

Carried.

#### EXPORT DUTY ON SAW LOGS, &C.

Mr. CHRISTIE moved the appointment of a Select Committee composed of Messrs. Richards, McDougall, Paxton, Hooper, Cockburn and the mover, to consider the advisability of memorialising the Dominion Government to impose a duty on saw logs, shingle-bolts and stave-bolts manufactured in this Province, and exported from the Dominion. He said that, since the abrogation of the Reciprocity Treaty, a large trade in the export of saw logs, and shingle and stave-bolts had sprung up. Since that time, the American Government had imposed a duty of 20 per cent. on manufactured lumber, but they admitted free of duty saw-logs, stave-bolts, and shingle-bolts. Consequently, the manufacturer on this side, as compared with the manufacturer on the American side, was placed at a disadvantage of 20 per cent., with reference to the manufacture of an article, the profit of which ought of right to belong to the Canadian manufacturer. The extent of this export trade, under these circumstances, was astonishing. He had been told just yesterday by a gentleman from Oswego, that, with three tug-boats, they had tugged across saw-logs unmanufactured, to the amount of forty million feet. These exports chiefly took place from the Western Peninsula, and went to Cleveland, Erie, Buffalo, Oswego and Tonawanda. The mills in Tonawanda and Oswego had each a manufacturing capacity of twenty million feet. The export of so large a quantity of lumber from a section of country already drained to a considerable extent, he thought, should be prevented. Petitions were now in circulation, to be forwarded to the Dominion Government, asking