

continuous deficit, and while of every \$100 raised Upper Canada gave \$70 and Lower Canada \$30, and of every \$100 spent Lower Canada got \$70 and Upper Canada only \$30. But Confederation changed all that, and the result was that to-day we have to rejoice over a surplus of over four millions. He could show by a few figures much more decisively than by any other language the prosperity of the country. In 1867 the banks of Ontario and Quebec had a paid-up capital of \$29,467,773; in 1872 the paid up capital was \$45,715,311, or an increase in five years of \$16,247,538. In 1867 the deposits in the banks in Ontario and Quebec were \$28,704,327, while in 1872 they had increased to \$56,249,432, being an increase of \$27,445,105. Besides that he might say that the increase in deposits in building societies and Government savings' banks amounted to about ten millions. In 1867 the bank assets amounted to \$77,500,000; in 1872 they amounted to \$143,594,369, being an increase of \$66,094,369. There was another curious fact that showed at least the extraordinary activity of the country. He found that since Confederation no less than 68 commercial and quasi commercial corporations had been created by this House, besides those created by the Dominion Parliament, many of which related to Ontario. He found in the Statutes of 1872 alone, out of 43 corporations there created, no less than 23 related almost exclusively to Ontario. It was also a cause of congratulation that while we were progressing Quebec was also progressing, having now a surplus of \$700,000, and which would have been more had the same wise policy with respect to the Crown Lands been pursued which had been pursued here. The next paragraph in the Address related to the Municipal Loan Fund. The Government deserved credit for pluck in undertaking the settlement of this difficult question. Still, there were some questions connected with it which somewhat simplified it. Speaking simply upon his own authority, he would say that he believed that the effect of the Act of 1859, with respect to the Municipal Loan Fund, was really to make a compromise which were bound to abide by. He believed the effect of that Act was that five per cent of the assessment of the previous year was to be taken as the debt of these municipalities; in other words, they had the legal right to come to this Government and say they only owed the amount of that assessment capitalized at five per cent. Take, for instance, the town of Port Hope, which town owed some \$500,000. The assessment of Port Hope for the year 1858 was \$135,000, which, capitalized at five per cent, would give the amount of its indebtedness. With regard to the railway question, the Government had been misrepresented in the most extraordinary manner. It had been said that they had gone in opposition to their opinions. He would refer briefly to what Mr. Blake said in discussing the railway Bill of the late Government. He read extracts from Mr. Blake's speeches in that debate showing clearly that he approved of granting aid to railways. As to the drainage of swamps, it was a highly important matter; but he thought that whatever scheme might be adopted, the Government should not retain the charges in their own hands. They should be negotiated and collected by other parties independent of the Government. With regard to immigration, some improvements might be made in that direction. The agency system might be improved, as at present we had not sufficient knowledge of what the agents were doing. Some scheme might be devised by which the tenant farmers of Great Britain could be induced to settle in this country. Passing over—for he must not detain the House—those questions relating to education, to the measure for the consolidation of the public and high school laws, he would say a word or two with reference to the clauses referring to the administration of justice, to the trial of controverted elections, and to the proposed measure relative to our municipal institutions. In regard to all these subjects it was fortunate that we had at the head of the Government a gentleman who above all others was so well qualified to conduct legislation upon them. He would quote from a speech of Lord Macaulay, delivered in 1853, upon the subject of excluding the Master of the Rolls from the House of Commons. Lord Macaulay spoke of the progress of law reform, and hoped that it would continue, and added that of all law reformers the best was a learned upright, and large-minded judge. (Cheers.) He now came to that part of the Speech which dealt with what might be called our foreign relations. The North-West boundary question was of the highest importance—it being whether our western boundary was at Thunder Bay or somewhere between the Lake of the Woods and Lake Winnipeg, or even fur-

ther west, perhaps as far as the Rocky Mountains. He thought that any one who looked into this question could not fail to see that the arguments for the farther lines were correct. Perhaps it was not right now to enter into this question. A good deal of it depended upon the construction of the Quebec Act of 1774, and the proclamation of 1791. He thought there could be no question that the boundary laid down by the Quebec Act was the boundary which followed the Mississippi, and extended in a line due north to the boundary of the Hudson Bay Company's Territory, wherever that may have been; and that this boundary was further extended by the proclamation of 1791 to the utmost limits of the country known as Canada. It was impossible to look at anything relating to that period, whether a map or an anecdote, without believing that these were the boundaries then established. He felt satisfied that when this question was further ventilated by a perusal of the archives in Paris and London we could not fail to succeed before the Privy Council, before which the case would be hoped soon come. He concluded by thanking the House for its very courteous hearing, and joined in the prayer of His Excellency for the divine guidance in their Legislative labours.

Mr. LAUDER, referring to the compliments which the member for South Bruce had paid to Mr. Blake, said that the hon. member had also something to be thankful to Mr. Blake for, because on every gate-post in Bruce there might have been seen the proclamation, "Vote for R. M. Wells, the friend of Edward Blake," and it was to that proclamation that the hon. gentleman owed his seat. The hon. gentleman had spoken feelingly of some members who had last session been in this Chamber, and who now were absent, but he had not thought fit to speak of the gentleman now gone from amongst us who once led this House. For his (Mr. Lauder's) part he could not commence the duties of this session without expressing his deep regret that that gentleman, whom he had faithfully supported for years, and who had left an example to future Governments in the country which they dare not disregard, had, during the recess, passed from the world. He considered that there was nothing new in the Speech except the reference to the boundary question. He was not able to discuss that question, as he was not so familiar with it as the hon. member for South Bruce appeared to be; but as the matter was in the hands of a commission he had no doubt it would be properly dealt with. The present Government deserved no credit, he said, for the drainage policy, which was the same as that of the Sandfield Macdonald Government. Speaking of the school laws, he said that there should be no interference with them. He could see no necessity for establishing Normal Schools either in the eastern or western portions of the Province. No petitions had been received by the House, nor had any deputations waited upon the Executive, on this subject. He accused the Minister of Public Works of acting in contravention of his former protestations; inasmuch as he had gone to Ottawa and Kingston to select sites for Normal Schools before those sites had been approved of by the Legislature. With reference to the School of Technology, he claimed that its establishment was due to the old Government, and had been opposed by the members of the present Government. He would like to know to what use this building was being put. He knew of its being let out to concert troupes, and last night it had been used as a hall of feasting, where the Hon. Minister of Agriculture took occasion to derisively laugh at the smallness of the Opposition. He contended that that building belonged to the minority as well as to the majority in the House. They might as well have occupied this chamber at once. The gentlemen opposite were always boasting of their Reform principles, but at the same time they had not initiated a single Reform measure since Confederation. The Controverted Election Law, of which they often spoke as their product, was nothing more than a mangled edition of the English law on the subject. With respect to the acceptance of the leadership by the Attorney-General, he said that personally he had the kindest feelings towards that gentleman, and if any hon. gentleman would make a motion that the precedent should not be followed, he would give his vote in favour of it, and he believed it would be sustained by the constituencies of the Province. He proceeded to allude to the time when the hon. gentleman opposed Mr. Scott, the Commissioner of Crown Lands, viciously and strongly, and alluded to the sectional cry, against which he protested, and observed that he had a strong objection to his having left the Bench as Vice-Chancellor at the instigation