PROVINCIAL LEGISLATURE.

HOUSE OF ASSEMBLY—Fredericton, *Saturday, February* 15.

CENSUS OF THE PROVINCE.

The Bill for taking an account of the population of the Province was committed, and agreed to with amendments; after a rather lengthy, but very desultory and uninteresting discussion.

BANKS AND BANKING.

Pursuant to the order of the day, the House went into Committee of the whole on the Bill to regulate Banks and Banking in the Province.—Mr. J. Taylor in the Chair.

The debate on this bill occupied about *four hours*, and would fill, if our abundant notes were fully transcribed, about FIFTY *foolscap pages*; but from the impossibility of printing such a mass of matter, we shall cull from it such prominent parts as may be included within reasonable limits.

The bill was almost an exact transcript of that brought forward by the same hon. member (Mr. Hill) last session, (with the exception of the clauses relative to *Provincial loans*, &c. omitted in the present bill.) and which was then fully discussed and reported. The principal provisions of the bill, as stated by Mr Hill, are as follow:—that all Banks hereafter to be established, or having any alteration made in their Charters, shall be subject to the provisions of this bill; that no Bank shall go into operation till *fifty per cent.* of its capital be paid up in specie; that one moiety of the capital be paid within six months, and the other moiety within twelve months from time of incorporation; that the amount of bills and notes in circulation shall not exceed *fifty per cent.* beyond the amount of stock actually paid up; that the debts of any Bank shall not exceed twice the amount of capital stock; that Directors shall be liable to answer and make good excessive issues in their own private capacities; that Banks shall not engage in trade or commerce, beyond certain necessary limits; that Banks neglecting to pay their bills within fifteen days after demand, shall be liable to pay extra interest, at the rate of *two per cent.* per *month*; that Banks shall always be liable to pay the *original* amount of any of their notes on bills which may have been altered in the course of circulation; that all weights &c. used in Banks shall be sealed once in every five years; that all demands on Banks shall be payable in specie, at the place where such Banks are respectively established; that embezzlement by any officer of a Bank shall be deemed larceny; that the Cashier shall make returns of the state and condition of the Bank when required so to do by the Lieutenant Governor or Administrator of the Government, at least once in every month; that the Provincial Secretary shall furnish blank printed forms for such returns, and publish abstracts of them in the Royal Gazette, so as to afford frequent information to the public of the proceedings of the Bank; that the aggregate of all debts due from Directors to the Bank, as principals, endorsers, &c. shall never exceed 33⅓ *per cent.* of the Capital Stock; that Directors shall be liable in their private capacity to make good any loss arising from official mismanagement; and further, that Stockholders shall be also liable in the same manner, to the amount of their stock, such liability to continue for one year after transfer of their stock; that on the expiration of the Charter, Stockholders shall be liable for the debts of the Bank, for two years from such expiration of Charter; that any Stockholders having in their private capacity been compelled to pay any debts of the Bank, shall recover, by a bill in equity, proportional parts of such payments from the Directors or other Stockholders; that the Lieutenant Governor shall annually appoint Commissioners to examine the state and condition of every Bank, and report the same to the Legislature; and that upon complaint in writing made to any Judge of the Supreme Court, of the neglect or refusal of any Bank to pay any of its notes, bills, or deposits, on demand, or within fifteen days after, such Judge shall appoint Commissioners to take possession of all the Books, papers, and property of such Bank, to settle, and wind up its affairs, and to do all such acts as the Bank itself might have done, and if any surplus shall in such case remain after payment of the debts of the Bank, shall pay it over to the Corporation. The last section of the bill provides, that whenever the Charter of any Bank expires, such Bank shall continue in operation two years longer, for the sole purpose of closing its concerns. The hon. member, after thus enumerating the leading features of the bill, observed that it would be quite unnecessary at present to comment upon them all. If the general principle of the bill should meet the approbation of the Committee, the provisions, being merely for the purpose of carrying that general principle into effect, might be respectively canvassed when the bill should be read section by section. He would now read some late remarks by Governor Carroll, of Tennessee, in his Message to the Legislature, on the subject of Banks, which possibly applied to the present rage for Banking in this Province.—The hon. member here proceeded to read the document alluded to, from the *Quebec Gazette*, of *Oct. 16th*, 1833, also the report of the debates on a Bank Bill, in the Legislature of Upper Canada, from the *Quebec Gazette* of 23d Dec. 1833, and a report from the Lords of the Treasury, on the Banks of Upper Canada, from the *Quebec Gazette*, Jan'y. 17th, 1834. From all these documents, the hon. member inferred, that the necessity of public security in the establishment of Banks, was paramountly considered by them all, and that the fundamental principles of this bill were fully recognized by them. He observed, that the various petitions before the House in favour of New Banks, altogether omitted any allusion to the great principle of public security, while they prominently mentioned the minor points of Cash credits, interest on deposits, &c. The latter might be a very useful thing, as Banks would thus become a kind of Savings' Banks for all classes; but he doubted whether the Scotch system of cash credits could be carried into effect in this country. Farmers could not convert their produce into cash; they must depend on barter, and therefore they would be unable to maintain a system of cash credit. Money might go out of the Bank by such a system, but it would be very difficult to get it in again. If Banks could not make a regular and reasonable return, they could not control their own means and would soon get into an embarrassed state. Under this bill, Stockholders would be liable for the debts of the Bank. At present, they had no responsibility, and seldom knew any thing of the management of its affairs; they only cared about reaping a good dividend; but if they were made responsible, they would carefully watch the management of their Bank. The public at present had no controul over the proceedings of Banks in this Province: this bill would give them such controul, and would afford every necessary security. The hon. member here commented on the Bankruptcy of the Eastport Bank, in illustration of the necessity of such controul, and of carefully guarding all exclusive privileges. The principles of this bill had been fully recognised by the communication from the Lords of the Treasury to Upper Canada, by the Legislature of that Province, and by various States in the Union; and the only question now was, whether this Province should adopt a similar principle.

Mr. Kinnear opposed the bill. Its principles were only to be applicable to banks hereafter to be established, or to others having their capital increased. If the bill were merely intended to impose salutary restrictions on all banks indiscriminately, and to give full security to the public, he would not object to it; but it would be very singular indeed, if a bill should pass to impose these restrictions on all future banks, and to suffer the present Bank of New-Brunswick, which had so long enjoyed an unrivalled sun of prosperity, to stand as an exception to the general rule. If any restrictions to banking in this country were necessary, let them be applied to all banks, & let justice be done to the universal cry for one more bank. He tho't the application of the banking principles of the United States to this province wholly wrong. The United States, with respect to commercial prosperity, politics, population, &c. were far differently situated from this Province. There, corporations of every kind grew up like mushrooms in every direction; because every member and every branch of the Legislature was wholly dependent on the will of the people, and whatever the will of the people demanded must be immediately conceded. In the United States, also, great and serious evils had arisen from the multiplicity of banks; the failure of the Eastport bank was one of them; and therefore the Legislature had been compelled to regulate them by a general enactment. But there was nothing in that which could be compared with the state of things in this Province. Here there had for a long time been but one bank, of any consequence, and that bank had, on the whole, got on pretty well. It had amply remunerated its proprietors, and was in a prosperous state. But should the evils arising from such an over abundance of banks as existed in the United States, prevent the House from establishing one more in this Province? He thought it should not; and he was sorry his hon. and learned friend had been induced to bring in a bill containing so many restrictions to clog and fetter all future Banks in this Province. The wealth of this Province did not consist in specie; but surely there was wealth enough to support two Banks, and if another was established, the Provincial prosperity would be increased by it.—This bill was objectionable on another ground. If it were passed, it would render particular provisions in future Bank Bills so unnecessary, that whenever the House might be called upon to establish another bank, a bill of very few words would effect the object. Often it was the case, that when a thing was conveyed in a very brief compass, it received but very slight consideration, and went more speedily into operation; therefore, if so few words would be requisite to create a bank, and the thing could so very easily be effected, the very same evil as now existed in the United States might soon be caused by the operation of this bill, because banks might start up in every direction. The Bill provided, that no Bank should make loans on pledge of its own stock. Now that had been the system so long pursued by the Bank of New-Brunswick, and he (Mr. K.) had never heard of any difficulty attending it. This provision went to the very root of the system adopted in St John, and which had so well been acted on hitherto, and yet it was now to be swept away by one clause. The hon. member thought there would be great difficulty in making Stockholders liable for the mismanagement of Directors, Such an enactment would so cramp and fetter all future banks, that no persons would be willing to become Stockholders; besides the difficulty of ascertaining what set of Directors had been guilty of mismanagement, and, therefore, what particular Stockholder should be responsible. Such an enactment would only give rise to frequent and long Chancery suits, and to great inconvenience. Again, the clause providing for the payment of heavy interest by the bank, or payments neglected for fifteen days after demand, would, he feared, be a very difficult provision. Was it ever heard, that any bank had so neglected payment, without being actually Bankrupt? It would be most singular, if such a thing should happen; because, from the moment a bank refused to pay any of its notes, it ought to be considered as Bankrupt. He could not go with any clause to alter that principle. But the hon. mover seemed to think, that Stockholders ran no risk of loss at all, but could only gain. Certainly, they would gain while their bank was well managed; there was nothing to be apprehended from the principal of banking, unless bad management caused danger, and it would be strange indeed if there should be such bad management, as to incur a risk of any very serious loss. But still there was a possibility of it, and therefore it was fair to presume that Stockholders always did run some risk. Should the bank be injured or broken, they must then suffer loss, and therefore they always incurred a risk. He thought Mr. Hill's observation relative to the petitions quite uncalled for. It was plainly stated on the face of the new Bank petition, that the petitioners asked for the establishment of a bank exactly on the same footing as the old one. There was no disguise or deception. They simply asked that which had before been granted to others. There was nothing whatever in the petition that could be construed into a desire not to afford the public every security. They had not pledged themselves to establish the Scotch system; they had only said they would adopt it so far as would be practicable and suitable to the country. The effect of this bill would only be to incumber the operation of any new bank, and he, (Mr. K.) therefore, could not consent to its being read section by section. Let the two banks go into operation, on exactly an equal footing; let both run together; and after that, if it should be found that the competition, now considered as most desirable, was ruining the public, destroying trade, putting down commercial enterprise, &c. then let this bill be bro't forward, and both banks be together annihilated. But he (Mr. K.) earnestly hoped such effects would never be witnessed in this Province.

Mr. Hill replied at considerable length to Mr. Kinnear, and in doing so, admitted that all were entitled to equal privileges; but contended, that if that argument were good for any thing, it would equally apply to all future banks as to the one now contemplated, and therefore all might claim to be established on the same footing as the present one, with as little security to the public. But if the system was wrong, it should be altered; now was the proper time to do it, when additions to banking capital were sought. The hon. member then proceeded to contend for the necessity of public controul over banks, and of responsibility in proprietors; and in reply to Mr. Kinnear's observations relative to the shortness of future bank bills, &c. said, that the hon. member should remember, that if this bill should pass, all such particular bills must refer to its general principles, and all would then be placed on an equal footing. With respect to the old Bank, it would be breaking faith with that corporation to affect it by this bill, unless an alteration of its capital were made. He (Mr. H.) would be very glad to bring all banks under its operation, but it was a very delicate thing to interfere with chartered rights. No reason had been urged, to shew why a system found so beneficial in the United States, should not be equally useful here; on the contrary it came recommended from the Lords of His Majesty's Treasury, and was about to be adopted in Upper Canada. This bill should be determined solely on its own merits, and he (Mr. H.) would place it on that issue; if its principles were desirable it was the duty of the House to introduce them into all future banking operations. He expected more banks would soon be applied for; a New Bank in St. John was already in contemplation; Fredericton demanded a Branch, and no doubt Miramichi would soon feel a similar desire. Banking capital would soon increase, and in time the whole currency of the country would be under the influence and operation of banks. It was therefore of the greatest importance to preserve the currency in a healthy state; the example of Nova Scotia was sufficient to prove that; the very moment New Banks were established, their paper would become the circulating medium of the country, and it ought, therefore, to be regulated so as to be safe and useful to the country. In answer to the observation, that nobody would take stock under such a law, he would inform the hon. member, that a new Charter had already been applied for by the people of Eastport, and $10,000 of the Stock had been subscribed for in Saint Andrews. People knew the conditions of the law and the responsibility attached to it, and were therefore prepared to act accordingly.

Mr. Simonds had always thought Banks in general more pernicious than beneficial. He might be wrong, but such was his opinion. He had, however, no objection to chartering another Bank, with sufficient security to the public. He was inclined to go with the provisions of this bill generally; many of them appeared to be very good, and very applicable to this Province. His hon. colleague had contended, that because one Bank had been established on very insecure principles, another ought to be chartered on the very same principles, for the sake of equality. This was no argument. If it could be shewn that the old Bank was not placed on secure principles, it was the bounden duty of the House to establish better principles. It would be very desirable to bring all Banks under the provisions of this bill; but how far the old Bank could be affected by it, he could not say. He was certainly sorry it was not on a better footing. At present, any Stockholder might put in his Stock-notes, and take out the whole of his stock, so that there really was no security to the public; and that was his great objection to the present Charter. The hon. member then proceeded *seriatim* to touch on various details of the bill, of which he testified his approbation. He did not approve of making Stockholders liable for the mismanagement of Directors, and thought monthly returns too troublesome and frequent. He very much approved of Stockholders being liable for debts of a Bank to double their amount of stock, and wished the present Bank could be rendered similarly liable, and also wished that some other salutary provisions of this bill could be engrafted on the old Bank Charter. He was not at all anxious for the increase of the stock of the present Bank; but, if it should be increased, would wish to have the Bank put on the same footing as all other Banks, under the provisions of this bill. The hon. member contended for the necessity of public controul over all exclusive privileges and powers, and hoped the Committee would find it expedient to pass this bill, with some few amendments. If the voice of the people was to have its effect, there would probably soon be several Banks; there was a great rage for banking all over North America; if the people had the means of establishing banks, their right to them could not be questioned; but then every care should be taken to provide for the public security, and to prevent the ruinous effects of broken banks.

Mr. Street said, the simple question now was, as to the principle of this bill, but hon. members had wandered all through its details. He was favourable to the bill, and thought now was the proper time for introducing it. The question was, whether the subject of this bill required legislation; whether any regulation was necessary, to affect future Banks. If it was, this was the time to effect it. The House should not wait till many Banks were established, and the danger increased; but should at once guard against the mischief which otherwise might ensue. The hon. member proceeded to argue on the necessity of public security, and on the advantage of diffusing general information throughout the country, by means of this bill, of the terms and conditions on which alone Banks could hereafter be established. He thought hon. members should altogether reject from their minds any consideration respecting applications for new Charters: such speculations should have no weight in considering the principles of this bill. He had heard no solid argument against the propriety of this bill: the argument respecting equality between the old and new Bank had no weight with him; because if the principles on which the old Bank was established were inconsistent with the public safety, those principles should certainly be amended with reference to every future Bank. The only way to do justice to the Province, was to look at the subject prospectively, and to pass such measures as would secure the public safety. If failures from the great number of Banks had rendered such a law as this necessary in the United States, that was the strongest possible argument why a similar law should be passed here, to prevent the like evils arising from the like cause. To put both Banks on the same footing, and then to wait for the effects, would be like saying to a drowning man, "Drown first, and then we will help you out."—This was the proper time to pass such a salutary law, for the regulation of all Banks in future; and he hoped, therefore, it would be adopted.

Mr. Partelow entirely agreed in the sentiments uttered by Mr. Street. The question now, was not, whether a new Bank should be established, but whether the safety of the public, under the provisions of the present Charter, was so well secured, as to render no further security necessary.—He thought there could be but one opinion, that the present principles of the banking system did not afford sufficient security. The hon. member then proceeded to contend for a greater liability in Stockholders than under the present system; and asked, what security to the public was afforded by the present Bank Charter? There was nothing to prevent Stockholders throwing in Stock-notes and taking all their money out of the Bank. This fact was particularly adverted to last year, and salutary provisions introduced into the bills then before the House, both relating to this and other necessary amendments; and he (Mr. P.) was sure, that the public would be better satisfied if such guards were carried into effect.—The hon. member then enumerated various provisions of the bill, and added his approval of them, and expressed his hope that the general principles of this bill would meet with the approbation of the Committee.

Mr. Slason briefly supported the bill, and also stated his determination, in consequence of the general expression of popular opinion, to support the New Bank Bill.

Mr. Allen opposed the bill, because it would prevent equality between the old and new Bank. The bill could not have an "*ex post facto*" operation; the present charter could not be altered, and therefore the new Bank Bill would be most unfavourably operated upon by this bill, if passed.

Mr. Gilbert supported the bill.—Mr. S. Humbert and Mr. Wyer opposed it on the same grounds as Mr. Allen.—Mr. Clinch and Mr. Vail supported the bill.

Mr. Chandler opposed it, solely on the grounds that it was unfair to clog the progress of the new Bank bill by passing this; that all its salutary provisions could be incorporated in that bill; but that if this should be passed, that bill must be cut down to almost nothing, and made dependent on this, and then the other branch of the Legislature would be in the same dilemma as last year, relative to the old and new Bank bill; they would be obliged either to pass both or none.

Mr. Simonds, in reply to some extraneous observations of Mr. Chandler, expressly stated that he should not oppose the new Bank bill; but should give way to the general expression of public sentiment in its favour.

Mr. Partelow also wished it to be clearly understood, that he did not intend to oppose the New Bank bill; and that if he thought the present bill would at all have the effect of in any degree cramping the operation of that bill, he would immediately oppose its further progress. He cared not whether this bill passed at all, so long as the salutary principles of it were incorporated in the New Bank bill; and if the same principles could be introduced into the bill for increasing the Stock of the Old Bank, he should vote for it.

Mr. Weldon briefly supported the general principles of the bill.

Mr. Allen repeated his opposition, particularly approving of the grounds on which Mr. Chandler opposed the passing of this bill; and in order to settle the question definitively, moved that the further consideration of the bill be postponed for 3 months.—Mr. Hayward seconded the motion.

Mr. Scott, at considerable length, supported the motion, and declared his conversion to the New Bank Bill cause.

Mr. Brown reminded the Committee that this was no new bill. It was not brought in by his hon. and learned colleague, with the slightest view to impede the New Bank bill. It was the same bill which he had brought in last session, *previous* to the introduction of the Commercial Bank Bill, and he (Mr. B.) was sure, that his hon. colleague's only desire was to afford the public sufficient security against the ill effects of too great a rage for banking.—The hon. member then briefly declared his approbation of the general principles of the bill, and opposed the motion of Mr. Allen.

After some further replies, and counter-replies from Messrs. Kinnear, Partelow, Chandler, Hill, and S. Humbert,

Mr. End expressed his approbation of the bill, and his intention to yield his private opinion in deference to the general voice, relative to the New Bank bill. The hon. member particularly replied to the arguments of some others, relative to borrowing laws from the Americans; observing that the bill contained many very admirable provisions; and if that axiom was true, "*Fas est ab hoste doceri*," he certainly thought that to learn from the people of the U. States, who ought not to be considered in the light of an enemy, could be no reproach.

Mr. Hill observed, that he had voted for the Commercial Bank bill last session, and should do so again.

The Committee then divided on Mr. Allen's motion, which was lost by a majority of *two*: the *yeas* being 11, and the *nays* 13.—Names as follow:

Yeas—Messrs. Kinnear, Wyer, S. Humbert, Hayward, Miles, Ward, J. Humbert, Allen, Scott, Chandler, Smith,—11.

Nays—Messrs. Hill, Clinch, Brown, Gilbert, Simonds, Partelow, End, Slason, Barlow, Rankin, Street, Weldon, Vail,—13.

The Chairman was then directed to report progress, &c.—It being very late, some of the members left the House, immediately after the question was decided; but immediately upon the Speaker's resuming the chair, and putting the question as to the reception of the report, Mr. Allen moved that the report be not accepted. The opposite side immediately demanded a call of the House, and while waiting for the return of the absent members, considerable skirmishing was again carried on. The members being returned, Mr. Speaker put the question, and Mr. Allen's motion was again lost, 13 to 12.—Majority, *one*.

Monday, February 17.

Pursuant to the order of the day, the House went into committee of the whole, in consideration of the several Messages from His Excellency the Lieut. Governor.—Mr. J. Humbert in the Chair. The first Message considered, was that relative to the payment of the

EXPENSES OF THE LEGISLATIVE COUNCIL.

The debate on this subject occupied the committee upwards of three hours; but much of what was said was very similar to what was advanced on the same point in committee last year.

Mr. Simonds opened the discussion by adverting to the message and resolution of last session, and then observed, that it appeared that His Excellency the Lieut. Governor had been advised to repeat the recommendation, not in consequence of any further instructions from the Home Government, but merely from the suggestions of the Executive Council. It was not, therefore, the message of His Excellency, but of his Council, or, as they might be termed, his Ministers. He (Mr. S.) thought that if His Excellency had been left to himself, he would not have made such a recommendation a second time, after knowing the feelings of the House on the subject. There would be a manifest impropriety in the House acceding to the recommendation in this Message. The Councils were divided about the time when the Message was first sent down; and by this new creation of Executive Councillors, a number of the old Legislative Councillors were causelessly degraded from their rank; they were now no longer Executive Councillors, but were superseded in that high office by persons, who, previously, had not been Councillors at all. This was a very great hardship to those Gentlemen: their feelings had been very deeply wounded by this proceeding; and now this measure was adopted, this proposal to pay them, as he (Mr. S.) believed, merely as a sop, to allay their wounded feelings: they were to be paid in money as a compensation for their degradation. The mode in which this scheme had been devised was most extraordinary; perhaps it had never been equalled in any Colony: he [Mr. S.] believed it was wholly conceived by a Cabal in this province, and that when it was communicated to His Excellency, it was gone too far for him to prevent it. There was no question in his opinion that His Excellency would have stopped it if he had had an opportunity; but it was conceived and carried into effect from mere wantonness of power; and then pay to the Legislative Council was proposed as a compensation. The Hon. Mem. here alluded to the astonishment of Sir James Kempt at this proceeding, when informed lately of the facts; and commented on the different course pursued (on a similar attempt being made in Nova Scotia) by Sir Peregrine Maitland, who had submitted the proposal to the Legislative Council for consideration; and then proceeded to observe, that in his (Mr. S's) opinion, the whole proceeding had been effected for the mere purpose of placing a particular person at the head of affairs, whose claims on the province he could not ascertain. It was therefore totally out of the question for the House to sanction such a proceeding by voting pay for the Legislative Council. Why were the old Councillors reduced and degraded from their rank? Had they been charged with any imbecillity or misconduct? No.—Any want of zeal or attention to duty? No.—Any political offences? No. Any dishonourable conduct? No; none. And yet this obnoxious arrangement had been made, without their knowledge or consent; all their former services were totally lost sight of, and others promoted over their heads.—With respect to the recommendation in the message, his (Mr. S's) opinion was decidedly the same as it was last year; that the House could by no means comply with it. What would be the feelings of the Legislative Councillors, if they were offered this pay? They would consider it only as a price offered for their unmerited degradation; and several of them, he was quite confident, and even authorised to say, would spurn at it with indignation. Even those who had been more recently appointed to seats in that Council, had fully expected to enjoy all the original privileges of Councillors, and they too had been deeply disappointed by the new arrangement. There could not be a single reason urged, why the House should now depart from the course adopted last session; viz. that it would be inexpedient and improper to comply with the recommendation. The hon. member then submitted a resolution, to the effect, that nothing had occurred, since last session, to alter the opinion then expressed by the House on this subject.

Mr. S. Humbert observed, that with respect to the origin of this call on the House for pay to the Legislative Council, the House could know nothing. They could only conjecture—they could only presume, that it had been by advice of the Provincial Ministers or Executive Council; but come from where it might, it was before the House, and was for them now to determine upon. With regard to the opinion already expressed by the House, it might be asked, what right had any other branch of the Legislature to suppose that they would alter their opinions? They gave not their opinion as individuals, liable to change; they spoke as a deliberative body; their opinion was fixed and determined, and their journals expressed it. Something of very high importance should be offered to induce them to alter their opinions; and he (Mr. H.) had seen or heard no such important reason.—Other Colonies had not been called on to pay their Legislative Councillors, and there was no reason why New Brunswick should. The situation of Councillors was of so exalted a nature, as to render it improper in them to receive pay. The hon. mem. then animadverted on the impropriety and hardship of the late measures relative to the separation of the Council; and observed that the Legislative Councillors had been treated on a principle similar to that erroneously maintained by some men, relative to salvation and election; that some were elected, while the Almighty did not d—n others, but merely passed them by:—so the Legislative Councillors had received no censure, had been charged with no fault, but they had been entirely passed by; and now they were to be compensated for the injury to their reputation and feelings by an offer of money. He (Mr. H.) hoped the house would reject the proposition.

Mr. Kinnear did not approve the principle, that because the House had once expressed its opinion on a subject, it might not be liable to change; because peculiar circumstances might authorise and require it. On the present question his opinion was wholly unaltered; though he thought every message from the Executive ought to be treated courteously and respectfully.—The hon. member then at some length commented on the expression in the Messages, "compensation for *services*," as applied to the two Houses, and drew the distinction between compensation for *services* and for mere *expenses of travelling*, *boarding*, &c. which was all to which the House of Assembly, (excepting the Speaker,) were entitled, and expressed his hope that the bill now before the House for reducing even that allowance, would be passed. The hon. member also showed the disparity between the situation of the Legislative Council and the House, the latter being composed, with three exceptions, of persons living at a distance from Fredericton, and obliged therefore to travel and reside away from their homes during the session; while the majority of the Council were persons actually resident in Fredericton, and incurring no such expense; and he argued, therefore, that such hon. gentlemen would neither be entitled to, nor would receive payment from the public. The two Houses therefore, were not on an equal footing in any respect; and with respect to the President of the Council and the Speaker of the House of Assembly, there was an equal disparity. The latter, like other members, came from a great distance, and incurred great expense during the session; while the former did neither, but received a very adequate and ample salary, as Chief Justice of the Supreme Court, and as he could not possibly sit in both places at once, he ought not to receive two distinct payments. The hon. member then referred to the decision of last year, and to the expressions in the petition of the House to His Majesty, in which the House declared themselves deeply aggrieved by the division and composition of the Councils; repeated his conviction of the universal dissatisfaction occasioned by that measure; adverted to Mr. Stanley's reply, and argued that practical inconvenience was not the point urged by the House, but the injustice to individuals which ought to be redressed, and contended that by now granting pay to the Legislative Council, the House would tacitly concur in those obnoxious measures, and admit that all their complaints on the subject were unfounded. The principle then, must stand now as it stood last Session; and the House, therefore, could not comply with the recommendation in the Message. There was another important view to be taken, on this subject. If a Legislative Council was to be established in any Colony, independently of an Executive Council, it ought to be entirely composed of persons having no connection with such Executive Council, and receiving no pay for any other services. It should be perfectly free and pure from all influence and interested motives. On this ground, also, the Legislative Council did not stand on the same footing as the House. The Members of the House were chosen by the People; he did not wish to see the Council similarly appointed; but he was desirous o see it, now that it was separated from the Executive, put on so pure and independent a footing that it might be wholly free from every kind of improper influence. He therefore objected to granting them pay, because some of them now formed part of the Executive Council, and others held offices of trust and emolument. The hon. member proceeded to contend that Legislative Councillors ought to be appointed from the most affluent and independent members of society, (as the Lords are at home,) and that they should be such men as would disdain to receive the paltry allowance contemplated as a remuneration for their expenses; and concluded by expressing his unwillingness to comply with the suggestion of the Message.

Mr. Chandler thought it wholly unnecessary to mix up the composition of the Councils with this question. That point had been taken up last year; had been complained of, and the complaint had been replied to, by His Majesty's Government, and so far there was at present an end to it. It appeared to him that the present arrangement of the Councils had grown out of what was called the Canada Committee's Report; it was only following up the spirit of that report, and it had been adopted in both the Canadas, as well as in this Province, though it had not been enforced in Nova-Scotia.—It was adopted for the sole purpose of rendering Legislative Councillors more independent of the Crown, and in future they would be rendered so. The hon. member then contended, that every reason applicable to the payment of the House of Assembly, was equally applicable to paying those members of the Legislative Council, who were independent of the Crown; and that, neither for the one House nor the other, could a sufficiency of talented and able men be always found, to render their services to the public at their own expense. Affluence, in his opinion, was not the requisite qualification for either House; talent, ability and integrity were the proper characteristics, and these could not always be found combined with wealth. The hon. member contended, that in a young country like this, it was therefore proper and necessary, that both Houses should be paid, in order to secure to the public the services of those best qualified to perform the duties of the station.—He saw no reason why both Houses should not be on an equal footing; the Members of both were chiefly engaged in commercial or other respectable pursuits, which rendered a considerable sacrifice necessary, to enable them to attend to their Legislative duties; and he, (Mr. C.) was therefore inclined to take up the idea started the other day by the hon. member who had opened this debate; that those Councillors who were independent of the Crown, and received no official emoluments, should receive pay.—The hon. member concluded by insisting, that the question of rank and precedence was one for the consideration and remonstrance of the Councillors themselves, and that the House had now nothing to do with it.

Mr. End began by styling the observations of Mr. Simonds as exceedingly superlative, and by expressing his dissent from them, and particularly with respect to the idea, that the division of the Councils was chiefly for the purpose of advancing one individual. The hon. member then referred to the Journals of 1822, and quoted a dispatch from the Home Government, disallowing an Act which had passed both Houses, for giving pay to the Members of both; and thence contended, that this was not the first time that the proposal had been made, and that so far from refusing to accept pay, the Council had formerly concurred in passing an Act for that purpose. The hon. member insisted, that on the principles of common justice the Legislative Councillors were entitled to pay, and demanded, what would be the condition of the lower House, by and by, (if they should refuse to pay the Council,) with respect to their own pay? He was also of opinion that the Assembly ought to be paid; he was never over modest in that matter; because, by depriving them of their pay, they would deprive the people of the power of choosing such representatives as they most approved. The representation would then entirely be thrown into the hands of rich men; and therefore, for the sake of keeping open the elective franchise, the members ought to be paid; but they certainly ought not to make money by it; their expenses only should be allowed. But how would the House be situated by and by, by refusing the Council pay? A new House would meet, they would send up their own pay bill for concurrence; no notice would be taken of it; and the House would find out *privately and accidentally*, that the Council did not intend to pass it, till pay was provided for them too. Thus the Legislative Council would have a complete command and influence over the House, by becoming their paymasters; and therefore, for the purpose of establishing that principle of the constitution, that every branch of the Legislature should be independent of the others, the Council ought to have their pay.—The Chief Justice and some other Councillors perhaps, would not receive it; but there was no reason why it should not be generally given; and let them refuse it if they pleased.

Mr. Street entered into the question at immense length; but our time and limits will only permit the transcription of a few of the leading points of his speech; especially as the arguments were chiefly similar to those of hon. members on the same side, in debate on the same question last year. The hon. member contended that the division of the Councils was an exercise of the prerogative of the Crown with which the House had no right to interfere; that the duties of the Legislative Council, when much more arduous than at present, had been gratuitously performed, by men of ability, talent, and integrity, for nearly half a century, and that there was therefore now no reason for pay; that the Province had much increased in wealth, and that there was now therefore a greater number of eligible persons to be found, who would serve gratuitously; that though an Act had been passed in 1818 by both Houses, yet it had been disallowed by His Majesty's Government in 1822, as derogatory to the dignity of the parties; that the arguments of the hon. member for Gloucester carried with them an apprehension on the part of the House, that the House would hereafter lose their pay, if they refused pay to the Council; that such an argument ought never to influence the House; and that as no other colony paid their Legislative Councillors, this Province ought not be an exception. The hon. member, at very great length, eulogised the Hon. Judges, and regretted their retirement from the Council; and as he considered that the resolution of the House ought to express the reasons of their determination, stated that he intended to submit an amendment to the resolution, to the effect, that, as it had been found that men of tried worth and talent had served the office of Legislative Councillors for nearly fifty years, the House did not now consider it necessary or expedient to pay them for their services, especially as in their opinion the Legislative Council ought to be composed of persons wholly independent of the Crown.

Mr. End, in explanation, assured Mr. Street, that he did not wish to hold up a conflict between the two Houses about their pay "*in terrorem*" over the House; but merely to shew that such a collision would tend to destroy that principle of the constitution, that the various Legislative branches should be independent of each other.

Mr. Partelow briefly animadverted on the wide and discursive range the discussion had taken, and declared that nothing had been advanced to alter his former opinion, which was decidedly against paying the Legislative Council.—The hon. member very much approved of Mr. Street's amendment.

Mr. S Humbert disapproved the amendment, because he conceived the House was not bound to state its reasons in its resolutions. The hon. mem. also highly disapproved of Mr. Chandler's proposition, which he considered as an invidious indignity towards the Council.

Mr. Slason briefly stated his opinion to be exactly the same as last year; which was, in favor of paying the Legislative Council.

Mr. Clinch, at some length, spoke on the opposite side of the question; but we could hear his observations but very imperfectly.

Mr. Allen approved of the principle on which the Legislative Council was intended to be composed; that of independence of the Crown; but contended that that principle was altogether departed from, by appointing members of the Executive to seats in that Council, which ought not to be the case. The hon. member entirely disapproved of paying the Legislative Councillors; but did not exactly like either the resolution or the amendment, particularly the latter, which, he thought, expressed a great deal more than there was any necessity for.

Mr. Hill suggested, that if the Council were paid at all, it ought to be out of the casual revenue; but he could never consent to pay them out of the funds belonging to the people.

Mr. Simonds replied at some length to various arguments of the opposers of the motion; and particularly explained, that Mr. Chandler had misunderstood his remarks the other day. He, (Mr. S.) had merely meant to admit, that *if* it was proper to pay the Legislative Council at all, the principle should only be applicable to those Councillors who held no office; but he certainly did not approve of the principle at all. He had also no objection to dividing the Councils; because he thought the Legislative and Executive duties ought not to be united; but he contended, that in dividing them, injustice ought not to have been shewn to the old and faithful Councillors.

Mr. Speaker next spoke on the question; and we regret that the late period at which he rose prevents our doing justice to his speech, our limits being already overstepped.—The hon. Speaker confirmed the assertions, that no other Colony paid its Councillors; that the services had hitherto been well and gratuitously performed, and that the Canada Committee's Report was the origin of the present constitution of the Councils. He also animadverted on the fact, that no grounds or reasons had been alleged by His Majesty's Government, for recommending pay to the Council; a measure which they had formerly disallowed. He thought, however, that the division of the Councils must have been adopted from a mistaken belief, that the country desired it; and though he could not approve of the manner in which the Legislative Council was now composed, yet he thought the principles of common justice required, that there should be some provision made for the members of that body. But he could only go so far in this respect as the Government had met the views of the country; and he would therefore be disposed to compensate only such Councillors as were perfectly independent of the Crown. The hon. Speaker approved of Mr. Chandler's observations and proposal.

Mr. Scott thought it was very much to be regretted, that the hon. and *learned* members of the House, with all the advantages of education and talent which they possessed, did not contrive to convey their ideas in fewer words; and he was therefore of opinion, that the hon. member for Northumberland might have said all he had to say in less than half the time.—The hon. member then *briefly* contended for the justice and propriety of paying the Legislative Councillors.

Mr. Chandler, to decide the question, moved as an amendment, *that it was not expedient to provide for the Legislative Council, excepting such Councillors as received no salaries from the Crown.*

After some skirmishing, Mr. Street, who had not actually *submitted* his amendment to the Chair, now moved it as an amendment to Mr. Chandler's amendment; and upon the question being taken, it was *negatived*, 20 to 6.

Mr. Chandler's amendment was then put, and *lost*, with the same majority against it.

Mr. Simonds's original resolution was then put; upon which, Mr. Brown stated that he was decidedly for the principle of the resolution, but wished to see some reason for the refusal embodied in the resolution itself.—Mr. Vail supported the resolution; and no further amendment being offered, the question was put, and carried in the *affirmative*—17 to 9.

Yeas—Messrs. Kinnear, Simonds, S. Humbert, Allen, Rankin, Hill, Clinch, Wyer, Gilbert, Hayward, Miles, J. Taylor, Barlow, Ward, Partelow, Street, Vail,—17.

Nays—Mr. Speaker, Messrs. Scott, Smith, Chandler, End, Slason, Weldon, Harrison, Brown,—9.

The Committee then proceeded to the other Messages; as follow,

No. 2, *On Government Paper*; No. 3, *On Aliens*; No. 4, *On Public Buildings for Records*; No. 5, *Militia*; No. 6, *On the Casual Revenue, &c.*

Nos. 2 and 3 were passed over, as requiring no resolution.—No. 4 was referred to a select Committee, to report thereon by Bill or otherwise — No. 5 was referred to the Committee of Supply, to save needless repetition of discussion; and No. 6 was postponed, till the *detailed* accounts come before the House.

EXTRACTS FROM THE JOURNALS.

Thursday, February 13.

On motion of Mr. Partelow—*Resolved*, That an humble Address be presented to His Excellency the Lieutenant Governor, praying that His Excellency will direct to be laid before the House, a detailed account, shewing the income of the Casual and Territorial Revenue for the year 1833; also the charges upon that fund for the same period; a detailed Account shewing the charges upon the Survey fund for 1833, and a particular account of the number of acres of land disposed of during the same time, the names of the parties purchasing, the Counties in which the sales took place, and the prices obtained per acre for each lot. *Ordered*, That Messrs. Partelow, Scott, and Vail be a Committee to wait upon His Excellency with the Address.

Mr. J. Taylor, by leave, presented a Petition from John Robinson, James Taylor, Sen., Mark Needham, Thomas Pickard, and 450 others, inhabitants of the County of York, praying an Act may pass for the establishment of a New Bank at St. John; which he read. *Ordered*, That the said Petition be received and lie on the table.

Mr. Hayward, by leave, presented a Petition from David Burpe, James Tilley, T. V. W. Clows, and 37 others, inhabitants of the County of Sunbury, praying an Act may pass for the establishment of a New Bank at St. John; which he read. *Ordered*, That the said Petition be received, and lie on the table.

Mr. Slason, by leave, presented a petition from Richard Ketchum, B. Cranwell Beardsley, Chas Perley, Jeremiah Connell, and 216 others, inhabitants of the County of Carleton, praying an Act may pass for the establishment of a New Bank at St. John; which he read. *Ordered*, that the said Petition be received and lie on the table.

Friday, Feb. 14.—Mr. Partelow, by leave, presented a Petition from Bartholomew Coxetter, Samuel Strange, John Kenney, and 51 others, engaged in the Fisheries at Saint John, praying that an alteration may be made in the Act relative to the Grand Manan Herring Fishery; which he read.—*Ordered*, that the said Petition be received and lie on the table.

COMMUNICATIONS.

[FOR THE COURIER.]

Mr. CHUBB,—I observed in your last Saturday's paper, Mr. CLOPPER's reply to a communication in a preceding number signed "*An old Loyalist*," in which Mr. Clopper has, in no very choice terms, charged me with being the author of that production. Now, Sir, so far as Mr. Clopper is concerned, it is a matter of so much indifference to me, what he says or what he thinks, that I should not have taken the trouble to contradict his assertion, but that others (from some expressions used by the "*Old Loyalist*,") may be led to think Mr. Clopper's suspicions in that respect correct; I therefore think it necessary for the information of yourself and the public, to declare that I am not the author of that article, nor had I any thing to do with it. Indeed, I hold all anonymous attacks upon the private characters of individuals in such utter contempt, that I never have, and never will put pen to paper for such a purpose—and Mr. Clopper is the very last person who should suspect me of resorting to such a mode of attack; as he has *experienced*, that when a man intentionally gives me personal offence, I am not the person who will seek redress through the medium of the public prints; I am the keeper of my own honour, and know how to protect it—and Mr. Clopper knows that there has that passed between us, which now renders it impossible for me to put myself on a par with him, by personally resenting any thing he may write or say, without detracting from my own respectability. I therefore pass over the allusions he has made to our private differences with the contempt they deserve, as I have not vanity enough to suppose the public could take any interest in the circumstances connected therewith—but as far as I am concerned, Mr. Clopper may be assured, he has my my cordial assent to *his* making as public as *he* pleases, every fact relating thereto, if he only adhere to truth in doing so.

I am, Sir, your obedient servant,
GEO. FREDERICK STREET.
Fredericton, 19th Feb. 1834.

Mr. EDITOR,—Finding an alteration of the Road Law is contemplated by our Legislature, I would suggest one item which can be amended. No road can now be altered by the Commissioners without the sanction of a Jury. Those who are acquainted with the nature of the country will readily conceive how difficult it is to get juries into remote situations to examine every trifling alteration of the road. But as juries may in some cases be necessary, I will merely suggest the propriety of advertising intended alterations for ten days previous to their being made, and then calling a jury, if interested individuals require.

I am, Sir, your's truly,
A COMMISSIONER.

Mr. EDITOR,—

Men, who are cradled in luxury, schooled in wealth, and surrounded by pomp and splendour in after life, can scarcely realize the possible association of a respectable sufficiency, and of an income, less than thousands—Prejudice and habit so completely enslave the mind, and the imagination is so apt to measure circumstances by our own standard of good and evil. A competency is comparatively a definite expression, circumscribing our wants and the means for supplying them, within narrow boundaries; but a genteel sufficiency, or the *enough* for the fashionable requirements of the age, are terms which cannot be defined, because they are modified by the manners, climates, and situations.—Seven hundred and fifty pounds a year in England, scarcely give the possessor of it a name or a place among his affluent superiors; whereas, that sum in New Brunswick, compared with the means and manners of the country, is, to a public officer, what thousands would be to a similar official in Great Britain.—The preceding remarks have been elicited by Mr. Stanley's dispatch requiring £14,000 annually, in exchange for the controul of a few remaining hundreds in the Casual Revenue, and by a division of that sum among the officers enumerated in the dispatch. The familiarity and intercourse of the Colonial Minister with the extensive salaries in England, must have induced him to suppose that £14,000 was a small and reasonable demand from the Revenues of a Country, in which piles of Public Buildings have been erected among the stumps of the recently reclaimed wilderness, and are recorded among the expenditures of the Province, as "*imperishable monuments*" of its—Extravagance and Folly.—Mr. Stanley's apparently erroneous impressions respecting Colonial Finance, may in some measure be attributed to the immoderate incomes of a few individuals, which have been tolerated for years, and which come more immediately within his cognizance, and to a Governor's recommendation to a Representative Body to pay the Honourable Legislative Council. This proposition may have been intended as a *balm* for the wounded feelings of those, who have been degraded by the recent elevation of their Juniors to superior dignities—or it may have been suggested to His Excellency by those, who would fasten themselves upon the resources of the country with vampyre gluttony. But if Government thinks proper to sport with the feelings of its Legislative servants, it is to be hoped that the Representative Body will not exercise a similar sportiveness with the public purse, towards which, every man is either directly or indirectly a contributor. Had such a proposition been made under a different state of public salaries, it might have been interpreted as a proof of the poverty of the people, the "chosen few" of whom being unable to devote a month to public service without pecuniary compensation; and this construction would receive support from the Governor's "*Speech*," in which the Finances of the Province are declared to be in a state of difficulty, bordering upon embarrassment.—The public voice exclaims against the terms proposed in the Dispatch—what inference, therefore, is deducible from the tenor of it?—We must infer that the Colonial Minister has been misinformed, as we cannot, in justice to such a distinguished character, suppose that he would have made such a requisition, if he had been intimately acquainted with the real state of a Colony, which last summer celebrated its fiftieth anniversary, commemorative of the year in which the faithful adherents to the Royal Standard abandoned property and home in a more congenial climate, and sought a resting place for their Loyalty in the forests of New-Brunswick. When we contrast that period, and the expenses of the then Government, with the present state of the Colony, and its existing public expenditures, we are obliged to confess, that great, as has been the "march" of improvement, the *gallop* of expenditure has outstript it: This is, in some degree, attributable to the influence of Military Governors, who have been trained up in parade and ostentation, and who continue it from the force of education. Man is an imitative creature, and the example of superiors will speedily operate upon persons who revolve around them. These again, in turn, epitomising regal splendour, stimulate the ambition of their associates and subacquaintances, until delf is despised, and the precious metals alone can minister to an appetite. Hence has arisen the necessity for increased salaries. The overflowing condition of the public revenues, and the freedom of the Province from debt, do not authorise such augmentations. A superficial review of the present state of New-Brunswick, must convince every unprejudiced mind, that the present is not the time to increase the public burden; but, on the contrary, that there is a loud and imperative call for Governmental Economy, and for retrenchment in those salaries which can sustain it, with least injury to the interests of the Province. In such a state of things, it would have been more satisfactory to the People, if the sums intended for the respective Officers mentioned in the Dispatch, had been specified. From such a specification, the House of Representatives might have formed some estimate of the Retrenchment urged and recommended by the Governor; as it is but reasonable to conclude, that His Excellency must have submitted the necessity for such measures to the Colonial Minister; and that the Colonial Minister must have contemplated some other reductions than the deprivations from Emigrant Agents, paltry in amount, when given as exemplifications of Governmental Retrenchment, but important to individuals supported by it. Such a specification, I presume, would materially influence the reception or rejection of the proposal, as it would have enabled the Representatives to form some idea of the "*overplus*" for future appropriations by the Government in England; and if the scale of salaries had been regulated by the actual services of the Officers, and by the means and circumstances of the Colony, it would have assured them of the wish and determination of the Minister to advance the interests, and to perpetuate the affection and attachment of the people of this Province to the Mother Country. But when the gross sum, required by the Colonial Minister, is taken in connexion with his letter respecting the salary of the Crown Land Commissioner, the suspicion will arise, to use a common illustration, that it is a "*penny wise and pound foolish*" retrenchment. It is therefore to be hoped that the deliberative body of the Province will pause before it entails a pledge upon the Province, which may hereafter assume the character of grievance. From the present proposition there does not appear to be any immediate advantage, but an eventual disadvantage from the adoption of it. If the existing excessive salaries are to be continued, or increased, of which there is some suspicion; let the House record its protest, and let it not be a party concerned in the voluntary surrender of the interests of the Province to the interests of a few individuals in office. The time may come, when better prospects will present themselves—the Delegates have knocked at the door of redress, and the Colonial Minister has opened it—they have already effected some good, notwithstanding the "*doubts*," and "*regrets*," and "*suggestions*," and "*visual* and *intellectual*" deficiencies of those who can clamour about a few hundreds expended in the experiment, and who crouch in silence beneath the thousands which are annually paid for less important services.

The House is pledged to persevere—and it is called upon to submit to the Colonial Minister a statement of salaries from a Governor to the lowest officer, founded upon the means of the Province, and the services of the officers; to forward that statement, not through the "influence of Provincial Agents," but by another Delegation—to strengthen it by a reference to the specified salaries of similar officials in the United States, for "*fas est ab hoste doceri*," and if we may receive instruction from our enemies, we ought not to despise it when it is given to us by our friends;—the out cry against the expences of a deputation, contrasted with the advantages of "*respectful petitions through the influence of our Provincial Agent*," is the language of those economists, who deal in conjecture, and who forget the expressive adage, "*when you wish a thing to be done, send your servant; when you wish it well done, go yourself*." Although I fully appreciate the talents, integrity, and good wishes of the Provincial Agent, I am not so unreasonable as to suppose that he could feel the same interest, as an inhabitant of the Province, and a member of the Representative body—the faithful discharge of this duty cannot be very pleasing to the Colonial Minister after the rejection of his proposition, hence arises the expediency of sending persons *directly* interested in the issue of the embassy.—If a Governor proposes pay for Legislative Councillors, the anti-Delegate-economists are silent. If a Colonial Minister requires £14,000 for a few gentlemen in office, some of whom from "*peculiar*" but unknown "circumstances," must receive their thousands per annum, these guardians of the public purse are mute and passive! If thousands are