

National Harbours Board; claims against Province of Quebec  
re Jacques Cartier Bridge

4. The Minister of Transport reported that, by a tripartite agreement of May 5th, 1928, between the former Montreal Harbour Commissioners, the City of Montreal and the Crown in the right of the Province of Quebec, the city and the province each undertook, for the period 1930-70, to make respective annual contributions of one-third of the Jacques Cartier Bridge deficit in each year, provided that neither the provincial nor municipal contribution would exceed \$150,000 in any one year. The agreement provided that any annual deficit was to be calculated pursuant to the actual cost of the bridge, which had been \$18,645,971.47. Both the city and the province had duly made annual contributions of \$150,000 each during the years 1930 to 1943.

In 1944, however, the city refused to make the required contribution, contending that the agreement had violated certain provisions of provincial legislation. The National Harbours Board instituted a suit against the City of Montreal and three courts, the Superior Court of Quebec, the Quebec Court of Queen's Bench and the Supreme Court of Canada, had unanimously upheld the view of the Board that the city was liable to the full extent specified by the agreement of 1928. A final settlement had now been reached with the city.

Although the province never questioned the tripartite agreement, provincial contributions were withheld in 1944 until the point of law raised by the city had finally been disposed of. In view of the unanimous decision of the courts, there could be no doubt that the province as well as the city was liable to the full extent specified in the agreement. The Board had requested in writing on two occasions that Quebec make good the arrears in provincial contributions totalling, with interest, \$961,463 as of March 15th, 1953. The Board's first letter to the province had been merely acknowledged and no reply had been made to the second communication. Two possible alternative courses of action were submitted for consideration.

An explanatory note had been circulated.

(Minister's memorandum, March 16, 1953-  
Cab. Doc. 76-53).

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