

right to communicate all I know about them so as to aid whoever may have to meet them again, as they will have to be met, in order that our interests may be protected and we obtain justice and a settlement. Arrangements were made for another meeting in Ottawa to further consider the settlement of the accounts pending, in the early part of January, but the treasurer of Ontario not being able to attend, the meeting was postponed till some future time. Our principal object was to establish a fair basis for settlement with the Dominion. As to most of the items charged against us in their account, there can be little difficulty in deciding, in fact many are already settled, and we could see no reason for bringing into the account the proportion of the surplus debt of Canada against the two Provinces when it had been wiped out in 1873. As to the open accounts between Ontario and Quebec, there will, I think, be little difficulty in arranging these. The most important questions now between the Dominion and the Provinces and between Ontario and us, are those I have alluded to, of increasing the debt of old Canada both by Ontario and by the Dominion, which if carried out will seriously affect our financial position, and every effort should be made to prevent such additions being made either by the Ontario or Dominion governments, as I am convinced Quebec has just grounds in resisting to the utmost the pretensions of both governments. (Hear Hear). I have within a few days received from Judge Cassault the factum of Quebec presented by our solicitors before the arbitrators and certain memoranda which I have not yet had time to consult, and which I have no doubt will prove very useful to whoever has further negotiations on these questions.

THE RAILWAY SUBSIDY.

In the month of February the Hon. Premier and I were at Ottawa on public business and took occasion to urge the claim of Quebec to the payment of \$6,000 a mile of subsidy to which this Province is entitled for that part of the Q. M. O. & O. Railway between Quebec and Montreal, withheld last year, and also as to certain reforms in the administration of justice so as to lessen the cost thereof. This we did in order to show that we did not