

Dominion for us, and that that Government was paying us \$136,696.62 interest upon them. The only reason for our not having the amount in Dominion marketable securities at this time is the unsettled state of matters between this Province and Quebec. The Dominion Government does not deny our title at all to these securities, but it prefers that the matter should remain in this condition, and that we should draw the interest until the open questions with Quebec are settled. We have, however, been getting since 1868 the same advantages in the way of interest from these funds as we are getting from the ordinary five per cent. debentures.

Mr. LAUDER—What are these funds?

Hon. Mr. CROOKS—I have mentioned them already in two statements. If one goes into the origin of these funds, members will be convinced, as the arbitrators were, that they belong to the former Province of Upper Canada, as contrasted with the former Province of Lower Canada. The Upper Canada Grammar School Fund was established by the Act (2 Vic. cap. 10) of the old Province of Upper Canada, under which 250,000 acres of land were set apart for Grammar School purposes. The proceeds of that land sold up to the 1st July, 1867, amounted to \$312,769 04. Our title to that is as clear as to the Parliament Buildings we are in now. Then there is the Upper Canada Building Fund, and, as the honourable member for South Simcoe will probably recollect, that was an equivalent to certain appropriations made to Lower Canada for the extinguishment of the seignorial tenure, and it is clearly an item to which Upper Canada had a title then, and which cannot be disturbed now. If a reference is made to the Act of 1854, section eighteen, it will be seen that there was a specific appropriation of an amount to form this fund in favour of Upper Canada as a set-off against advances made to Lower Canada for the settlement of seignorial rights there. That fund, on the 1st July, 1867, amounted to \$1,472,391 41. The Common School Fund was established by the Consolidated Statutes of Canada, cap. twenty-six, under which 1,000,000 acres of land were set apart for Common School purposes. It was conceded before the arbitrators that Lower Canada was entitled to a proper proportion of that fund with Upper Canada, and that being adjusted on the basis of the population by the census of 1861, Upper Canada would receive five-ninths and Lower Canada four-ninths of the fund, which, on the 30th June, 1867, amounted to \$1,645,644 42, thus giving Upper Canada \$914,246 90. These special funds amount to more