

Act of Parliament of Canada re-adjusting amounts payable in respect of debts of Provinces.

On 23rd May, 1873, the following Act was passed by the Parliament of Canada :—

An Act to re-adjust the amounts payable to and chargeable against the several Provinces of Canada by the Dominion Government so far as they depend on the debt with which they respectively entered the Union.

Whereas by the provisions of the *British North America Act, 1867*, and by the terms and conditions under which the Provinces of British Columbia and Manitoba were admitted into the Dominion, Canada became liable for the debts and liabilities of each Province, existing at the time of its becoming part of the Dominion, subject to the provision that each Province should, in account with Canada, be charged with interest at the rate of five per cent. per annum on the amount by which its said debts and liabilities exceeded, or should receive interest at the same rate by half-yearly payments in advance, on the amount by which its said debts and liabilities fell short of, certain fixed amounts :

And whereas the amount fixed as aforesaid in the case of the Provinces of Ontario and Quebec, conjointly (as having theretofore formed the Province of Canada), was sixty-two million five hundred thousand dollars (\$62,500,000), and the debt of the said late Province, as now ascertained, exceeded the said sum by ten million five hundred and six thousand and eighty-eight dollars and eighty-four cents (\$10,506,088.84) for the interest as aforesaid on which the said two Provinces were chargeable in account with Canada :

And whereas it is expedient to relieve the said Provinces of Ontario and Quebec from the said charge, and for that purpose hereafter to consider the fixed amount in their case as increased by the said sum of ten million five hundred and six thousand and eighty-eight dollars and eighty-four cents ; and to compensate the other Provinces for this addition to the general debt of Canada : Therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows :

1. In the accounts between the several Provinces of Canada and the Dominion, the amounts payable to, and chargeable against, the said Provinces respectively, in so far as they depend on the amount of debt with which each Province entered the Union, shall be calculated and allowed as if the sum fixed by the one hundred and twelfth section of the *British North America Act, 1867*, were increased from sixty-two millions five hundred thousand dollars, to the sum of seventy-three millions six thousand and eighty-eight dollars and eighty-four cents, and as if the amounts fixed as aforesaid, as respects the Provinces of Nova Scotia and New Brunswick by *The British North America Act, 1867*, and as respects the Provinces of British Columbia and Manitoba by the terms and conditions on which they were admitted into the Dominion, were increased in the same proportion.

2. The subsidies to the several Provinces, in July, one thousand eight hundred and seventy-three, shall be paid in accordance with the foregoing provisions of this Act.