ANSWER

OF

PROVINCE OF ONTARIO

TO THE STATEMENT OF CASE OF

PROVINCE OF QUEBEC.

No. 2.

DIVISION OF THE SURPLUS DEBT.

The Province of Ontario objects to the statement made by the Province of Quebec under this head, on the ground that the Arbitrators have no jurisdiction nor authority to enquire into the state of the debts or credits of the Provinces of Upper and Lower Canada prior to the Union of 1841, nor to deal in any way with either the debt or credit with which either Province came into the Union at that time.

The Province of Ontario offers this objection, as preliminary to any consideration whatever, by the Arbitrators of this head of the case of the Province of Quebec; as, if it be possible that the Arbitrators can feel themselves justified in entering into the consideration of the matter objected to, the Province of Ontario will claim the right of going into that wider field which will be opened up by an examination into the origin of the debts, and the charges of each Province upon, and the contribution of each Province to, the general revenue of Canada, however tedious or impraticable such an examination may seem to the Province of Quebec.

The Province of Ontario will be prepared to argue fully this preliminary objection, and will ask for the decision of the Arbitrators upon it before entering upon any discussion of the general subjects of their case.

THE COMMON SCHOOL FUND.

The Province has put forward its views of this Fund in its own statement, and has made no admission that this Fund shall be divided.