

The Honourable Sir George W. Ross then moved, seconded by the Honourable Mr. Power,

That the Senate having insisted upon its amendments to the said Bill do hereby appoint the Honourable Mr. Kerr, together with the mover and seconder, to be a Committee to draw up the reasons therefor and to report the same to the Senate forthwith.

After awhile the Honourable Sir George W. Ross, from the said Committee, presented the following as their Report.

The Committee to whom was referred the message of the House of Commons disagreeing to the amendments made by the Senate to Bill 39, intituled: "An Act to encourage and assist the Improvement of Highways," for the purpose of drawing up reasons why the Senate insists on its amendments to said Bill, hereby recommended that the following reasons be given, viz:—

That the Senate adheres to its first amendment to the Bill sent up from the House of Commons and intituled: "An Act to encourage and assist the Improvement of Highways," for the following, amongst other reasons:—

1. Because the right of the Senate to amend a Bill is not impaired by the proceedings which may have taken place during the progress of the Bill through the Commons.

2. Because the reason assigned for the rejection of similar amendments made in the House of Commons, that said House will yearly pass upon each item of expenditure does not apply to the Senate whose only recourse in case of disagreement would be to reject the Supply Bill.

3. Because the amendment made by the Senate to the third clause of the Bill by the addition of sub-clause 2 affirms the principle of equitable distribution of intended supplementary subsidies to the Provinces, according to the agreement entered into by the Provinces at the time of Confederation.

4. Because the method of distribution provided for by the said first amendment is based upon a principle fair and reasonable in itself and is that announced by Members of the Administration in the Senate and the House of Commons during the last and the present Sessions of Parliament as their settled policy, and that which has been actually embodied in the Bill respecting aid to agriculture.

5. Because the said Bill is an enabling measure, and in order to make its provisions effective has to be supplemented by placing the moneys proposed to be voted for its objects in the yearly Supply Bill, and, moreover, the said Bill was declared by His Honour the Speaker of the House of Commons not to be a money Bill.

That the Senate adheres to its 2nd amendment, for the following among other reasons:—

1. Because section 6 of the Bill empowers the Minister to undertake the construction or improvement of highways in any province, which would be a contravention of the letter and spirit of *The British North America Act, 1867*, and of the uniform practice under that Act, for which contravention no sufficient cause has been shown.

2. Because the said amendment affirms in effect that it is undesirable that the Minister or the Dominion Government should usurp the functions of the provincial administrations in the building and maintenance of highways and bridges.

3. Because the said amendment will not hamper the Administration in carrying out its policy and in applying the funds placed in the Estimates for that object under conditions and regulations it may deem just and proper to make, sufficient provision being made in earlier clauses of the Bill for co-operation between the Federal and Provincial Governments.

4. Because section 6 of the Bill is a violation of the principle of responsible government inasmuch as the Dominion Government in expending such Provincial subsidy would not be responsible to either the Provincial or Dominion Legislatures.

GEO. W. ROSS.