

the contract was considered either legally or morally binding. He would certainly be the last man to advise repudiation of any honest debt, but he did not think that we were in any danger of ever approaching such a principle. But surely if the views of this honourable friend were sound it would follow that Nova Scotia and New Brunswick, instead of being united with Canada in Confederation, has been annexed to it. As he understood matters the four united Provinces were commencing *de novo*, and they had to arrange by what rules they were to be guided, what servants they were to employ, and what contracts they were to make for supplies, or services of any kind. And why so? Because the new Dominion was alike independent of the Canadas, Nova Scotia and New Brunswick. When the contracts were services common to these Provinces like postal contracts the matter was different, but contracts with Legislative Councils and Assemblies, which has ceased to exist, were altogether different. To be sure this body sat in the place in which the Legislative Council of old Canada had held its Sessions, and honourable members were surrounded with the former appliances and appendages, but they had come here to organize and establish means for future proceedings. It might be granted that all arrangements which were found in every way suitable to the new state of things could properly be adopted, and continued, but simply because they recommended themselves by their usefulness and ready adaptation to the necessities of the Senate. Supposing that instead of meeting in Ottawa Parliament had met in Fredericton or Halifax, would the honourable members who took the view he was objecting to, have recognized the propriety of being bound to old contracts? He thought not.

Hon. Mr. Mitchell said he felt it due to his position to vindicate himself from the implied charge of having given utterance to any expression calculated to convey the idea that he favored any such thing as repudiation, and he could not help saying that the honourable member who had mentioned that word, has gone very much out of his way in even supposing such a thing. He had not objected to the report, because he had the greatest confidence in the judgment of the Committee, but the honourable member (Mr. Tessier) had presented opinions respecting the liabilities of the Dominion in which he did not concur. The honourable member had asked whether the House was disposed to repudiate the liabilities arising from the old contracts, and he (Mr. Mitchell) would at once answer that he did

not. Canada was liable for the debts of all the Confederated Provinces, but then it would have recourse upon them and would have to bring such obligations in account against them. The Dominion stood intact in the position of an endorser upon such obligations. Would the honourable member undertake to say that if the service now performed by Messrs. Hunter and Rose for \$30,000 could be undertaken by some other party for \$20,000, that the House was bound to continue the contract? And if not, then those gentlemen could claim damages, but they would be against the Provinces of Ontario and Quebec, and the Dominion would have a right to charge them. Clause 111 did not say the Dominion should charge itself with such contracts, it was to pay the debts and assume the liabilities, but then if there was an excess over the amounts the Provinces had a right to receive such excess would be charged to them. If suits were brought for damages the old Provinces would have to pay them. The explanations of the Printing Committee were quite satisfactory, but they did not report that they had recognized the contracts as binding upon the House. Indeed, the Committee had evidently doubted such liability.

Hon. Mr. McCully said he had not intended to speak, but he could not endorse by silence the views the Hon. Minister of Fisheries in his early observations had advanced. As a lawyer he must say he considered Canada to be bound by the contracts made under the old order of things. It was a different matter, however, where contracts had been made by separate Provinces. He did not wish it to go abroad that the Dominion held the doctrines propounded.

Hon. Mr. Mitchell—Would the honourable member say that, if an improvident contract had yet ten years to run the Dominion would be bound to assume it?

Hon. Mr. McCully—In such a case, the Dominion would have to recharge what might be considered in excess of the proper amount to the Province concerned.

Hon. Mr. Sanborn said he fully concurred in the report, and endorsed all that the Chairman had said as to the contract. It had been a matter of surprise to him that such an enormous reduction could have been made in the printing expenses of the Parliament, and that the public could have been so victimized as it had been before. But when he was fully satisfied that it was as represented, he felt there was much credit due to Hunter & Rose,