

## Public Accounts.

no agreement has hitherto been arrived at ; and whereas it is advisable that all such questions of account should be referred to arbitration ; therefore Her Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows :

1. For the final and conclusive determination of such accounts, the Governor-General in Council may unite with the governments of the provinces of Ontario and Quebec in the appointment of three arbitrators, to whom shall be referred such questions as the Governor General and the Lieutenant-Governors of the said provinces shall agree to submit.

2. The arbitrators shall consist of three judges, one to be appointed by the Governor General in Council and one by each of the said provincial governments, and all three shall be approved of by each government.

3. The arbitrators shall not assume to decide any disputed constitutional question ; but if any are raised they will note and report them with their award, but without delaying their proceedings.

4. Any two of the arbitrators shall have power to make an award.

5. The arbitrators or any two of them shall have power to make one or more awards and to do so from time to time.

6. The arbitrators shall not be bound to decide according to the strict rules of law or evidence, but may decide upon equitable principles, and when they do proceed on their view of a disputed question of law, the award shall set forth the same at the instance of either or any party. Any award made under this Act shall be, in so far as it relates to disputed questions of law, subject to appeal to the Supreme Court of Canada and thence to the Judicial Committee of Her Majesty's Privy Council, in case their Lordships are pleased to allow such appeal.

7. In case of an appeal on a question of law being successful, the matter shall go back to the arbitrators, for the purpose of making such changes in the award as may be necessary, or an appellate court shall make any other direction as to the necessary changes.

8. The appointment of the said arbitrators by Order in Council and their award in writing shall be binding on Canada, save in case of appeal on question of law, in which case the final decision thereon shall be binding on Canada.

9. In case of a vacancy by death or otherwise among the arbitrators, the same shall be filled in the same manner as the appointment was first made, any such appointment to be approved of by the other two governments.

### FIRST AGREEMENT OF SUBMISSION.

Agreement made on behalf of the Government of Canada of the first part, the Government of Ontario of the second part, and the Government of Quebec of the third part.

Whereas certain questions have arisen in relation to the settlement of the accounts between the Government of the Dominion of Canada, the governments of the provinces of Ontario and Quebec, both jointly and severally, and also as between the two provinces ;

And whereas by an Act of the Parliament of Canada, passed in the fifty-fourth and fifty-fifth year of Her Majesty's Reign, chaptered six, and intituled *An Act respecting the Settlement of Accounts between the Dominion of Canada and the provinces of Ontario and Quebec, and between the said provinces*, and also the Acts of the Legislatures of the respective provinces of Ontario and Quebec, being 54 Victoria, chapter 2, of the said province of Ontario, and 54 Victoria, chapter 4, of the said Province of Quebec, it was in effect provided that for the final and conclusive determination of the matters in said statutes mentioned, the Governor General in Council might unite with the governments of the said provinces of Ontario and Quebec in the appointment of three arbitrators, to whom should be referred such questions as the Governor General and the Lieutenant-Governors of the said provinces should agree to submit.