(Translation).

QUEBEC, 27th February, 1878.

To His Excellency the Lieutenant-Governor of the Province of Quebec.

YOUR EXCELLENCY,—I have the honor to acknowledge receipt of the memorandum which your Excellency caused to be handed me yesterday afternoon by your Aide-de-Camp, who informed me at the same time that you were ill in bed.

I have submitted that memorandum to the Executive Council, and will see, as your Excellence desires, that diligence is used to cause all the documents asked for to be transmitted to you as soongas possible.

Anticipating the factum which your Excellency wishes to have, and which ' ill contain a more detailed statement of the motives which have induced the Provincial Government to propose the measures to which you draw my attention, I deem it my duty to represent to you:

That, amongst others, the reasons which led the Government to submit to the Legislature a law compelling the municipalities to pay their subscriptions towards building the Provincial Railway, on the decision of the Licutenant-Governor in Council, under a sworn report of a competent engineer, and after a fifteen days notice, to give those municipalities an opportunity of being heard, are the manifestations of bad faith of certain municipalities, shown in certain cases by their neglect to respond to the calls of the Treasurer, in others by their formal refusal to pay, and in certain cases by resolutions adopted demanding new conditions in respect to the agreements they had entered into with the Government.

The Government believed that, without such legislation, the object of which is to avoid the slowness of ordinary judicial proceedings, the result of the bad faith of the municipalities would have been either to necessitate a new loan by the Province, and therefore an unjust eharge upon municipalities who had entered into no agreement, and who are to derive no immediate advantage from the construction of the road or to put a complete stop to the works begun, with the inevitable loss of the interest on the enormous capital already invested in the enterprise, and the other damages which would result. The Government, firstly obliging itself by that law to fulfil the conditions agreed upon with those municipalities, believed that in substituting for the ordinary courts the Lieuteuant-Governor with an Executive Council, responsible to the Legislature and to the people, they were offering to parties interested a tribunal which insured them as many guarantees as the ordinary courts.

I would further bring under your Excellency's notice that provisions of a similar nature to this regislation exist already in our Statutes. I may eite to your Excellency Chap. 83 of the Consolidated Statutes of Canada, and also Chap. 47 of 36 Viet. of the Statutes of Ontario.

I respectfully submit to your Excellency that a law framed to better assure the execution of a contract cannot produce a retroactive effect; it enacts for the future, and has for its end the respective interests of both parties.

I would now beg your Excellency to observe that while you were at Rivière Onelle, I had the honor to ask your authority to put the question of finance before the House, and that you kindly answered, stating you were forwarding through the mail a blank, which act I took at that time as a great mark of confidence on your part. I received, in fact, a blank, with your signature, and I gave it to the Treasurer who had it filled up by your Aide-de-Camp. Later 1 had the honor to ask your Excellency for a general permission to submit to the House measures concerning money matters, which your Excellency gave me with your ordinary courtesy.

That permission, I may say, has always been granted me by your predecessor, the late lamented Mr. Caron. I must admit that with that permission, and being convinced Your Excellency had read the Treasurer's speech, in which he announced the taxation subsequently proposed, I considered myself authorized to tell my colleagues that I had your permission for all money measures.

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