

and it is desirable to settle and finally determine the same, and to establish the legal liability (if any) of either of the said Provinces to the other.

His Excellency, on the recommendation of the Honorable the Minister of Justice and by and with the advice of the Queen's Privy Council for Canada, has been pleased to order, and it is hereby ordered, that it be referred to George E. King, of the City of Saint John, New Brunswick, Q.C., the Auditor General of the Dominion, and William Heard, of Charlottetown, Prince Edward Island, merchant, as Commissioners to adjust and settle the said accounts and differences between the said Provinces, in accordance with the provisions of said Act and with the legal obligations of the parties, in so far as such accounts have not been settled, adjusted and satisfied, under and by the report of Messrs. Cutler and Dawson, of date the 19th day of April, A.D., 1856, and the report of Messrs. Harding and Dawson, of date the 12th day of November A., D., 1856, but provided that nothing herein shall authorize the re-opening of any matters closed by the said reports of the said Commissioners Cutler and Dawson, or Harding and Dawson; the report of any two of the Commissioners to be valid; the Commissioners to meet at Ottawa and to make their report to the Minister of Finance on or before the first day of June next, or such further time as may be given by Order-in-Council in that behalf.

(Signed)

J. O. COTÉ,

*Clerk, Privy Council.*

OTTAWA, 1st June, 1880.

SIR,—I have the honor to report the reasons which compelled me to decline concurrence in the finding of the other two Commissioners, Messrs. King and Heard, appointed by the Governor in Council with myself as a third to examine into and determine upon the claim of the late Province of Canada against New Brunswick arising from funds received and expenditure made in connection with the disputed territory.

You will find appended hereto the details of the finding of Messrs. Heard and King.

I give these details although they are not referred to in the report because they are necessary to enable me to explain the reasons which induced me to differ from my colleagues.

It was determined by the Commissioners that the fund in the hands of Canada was £2,586 9s. 4d., and that the fund in the hands of New Brunswick, after deducting refunds allowed, was £8,798 15s. 11d., and that New Brunswick, so far as the funds went, owed Canada one-half the difference between these sums, or £3,106 3s. 3½d.

On the expenditure side it was determined that the amount for which New Brunswick was entitled to receive credits reached £6,864 8s. 0d., while Canada should rank for £8,364 7s. 9d., making Canada's net claim on this part of the account, one-half (£8,364 7s. 9d.—£6,864 8s. 0d.), or £749 19s. 10½d.

Therefore Canada by both findings (1) that with reference to the funds, and (2) that with reference to the expenditure, was declared entitled to receive £3,106 3s. 3½d. + £749 19s. 10½d. = £3,856 3s. 2d.

From this was deducted for the finding, the amount already received on account from the Dominion, £1,922 10s. 0d., leaving £1,933 13s. 2d. or £7,734 6s. 3d. the award.

We all agreed on every point connected with the funds.

Our differences, therefore, were confined to the *expenditure*.

Regarding the New Brunswick Survey and Arbitration account, marked A, I was satisfied as to the correctness of all the items, except that for the expenses of Lieutenant-Governor Sir Edmund Head, and Attorney-General Wilmot, who went to meet the Canadian Government with reference to the difficulties between the two Provinces, touching the disputed Territory.