

Restigouche River, nearly opposite Campbellton, according to Mr. Baillie, or at the Tracadegash Mountain, according to the Imperial Commissioners, and extending thence northerly to the height of land between the rivers falling into the Saint Lawrence and those falling into the Restigouche, and thence along the said height of land and a continuation thereof between the rivers falling into the Saint Lawrence and the Saint John, to the sources of the Chaudiere and the Saint John Rivers; and the line claimed by Canada commenced at the head of the Bay, east of Dalhousie, and extend along the height of land in rear of Dalhousie, embracing all the country drained by the Upsalquitch and Tobique Rivers and their tributaries to "Mars Hill."

This then was the actual state of the case when a legal Boundary was created by Act of the Imperial Parliament, (14 and 15 Vic., cap. 63,) and the Commissioners therefore deeming it to be no part of their duty to determine whether the claim of either Province was in any particular extreme, or otherwise, felt bound to take these lines as the *only* distinct definition of their claims ever put forward, and had no course open to them but to consider the whole space circumscribed thereby as the "territory heretofore in dispute," to which the Imperial Statute, in dealing with the question of the funds accrued therefrom, has reference.

The second point which presented itself for the consideration of the Commissioners was the nature of the funds to be investigated and the sources of revenue from which they were derived.

"The net proceeds of the funds in the hands of the local Governments of Canada and New Brunswick respectively, arising from the territory heretofore in dispute," being the terms in which the funds are referred to in the Imperial Statute, the Commissioners concluded that no limit was set by this to the period to which their investigation would go back; and that it neither confines their enquiry to any particular source of revenue nor to any particular portion of the territory, but extends it alike to all "the territory heretofore in dispute," to all the revenues, from whatever source, accrued therefrom, and to the earliest period to which any collections could be traced.

Having thus arranged the preliminaries, the next feature that presented itself to the Commissioners was that there appeared to be certain parts of the territory over which Canada had exercised exclusive jurisdiction, certain parts over which New Brunswick had exercised exclusive jurisdiction, and a part over which (after the Treaty of Washington) a conflicting jurisdiction was exercised, alike detrimental to the good feeling which ought to subsist between the sister Provinces, and ruinous as already stated to those whose interests were affected by it.

That portion of the territory over which Canada exercised exclusive jurisdiction has not been very fruitful in revenue; the total amount accrued therefrom could, though with some difficulty, be ascertained from the earliest period.

A part of that over which New Brunswick exercised exclusive jurisdiction, viz. on the Upsalquitch and Tobique Rivers, has been more or less a source of Revenue from a very early date, but the amount accrued having been absorbed in the ordinary revenues of the Province, to arrive at a satisfactory conclusion thereon would be extremely difficult, if not impracticable, and would certainly involve a tedious and expensive investigation which it might take years to complete, and which, when completed, could only be an approximation to the truth.

That part of the territory over which a conflicting jurisdiction has been exercised presents