

PROCEEDINGS
OF
ARBITRATORS.

(Under the British North America Act, 1867.)

The Arbitrators met on the 15th of February, 1870, pursuant to adjournment. It being the first day of the meeting of Parliament, and the Hon. J. H. Cameron and the Treasurer of Ontario having been detained by a train getting off the track, between Toronto and Ottawa, when they arrived at Ottawa they found that the Arbitrators had met, the Hon. Mr. Chauveau, Messrs. Casault, Ritchie and Drolet, having appeared on behalf of Quebec, and no one appearing on behalf of Ontario, for the reasons already stated, the Arbitrators adjourned till Thursday, the 17th of February, 1870, at noon.

On Thursday, the 17th February, the Arbitrators met, pursuant to adjournment, in the Rooms of the Civil Service Board. Present on behalf of Ontario, Hon. Mr. Wood and the Hon. J. Hillyard Cameron; and on behalf of Quebec, the Hon. Mr. Chauveau, Messrs. Casault, Ritchie and Drolet, and the Hon. Mr. Robertson, Treasurer of Quebec.

It appears that the cases of the two Provinces had been respectively interchanged, and also sent to the Arbitrators, as required by the order of the 27th October last; but that no statement had been furnished of any settlement by the Provinces with the Dominion Government as to the definite debt as required by that order.

[Counsel then addressed the Arbitrators as to the preliminary objection raised by the Counsel for Quebec, as to whether or not the Arbitrators had jurisdiction over the debts and assets mentioned in the 4th Schedule of the British North America Act.]

The Arbitrators reserved judgment until the next day.

Adjourned until next day at 11 o'clock, a. m.

On Friday, the 18th February, 1870, the Arbitrators met.

Present, the same persons as at the preceding meeting.

The Arbitrators delivered their judgment on the point argued the day previous, and made the following order:

"The Arbitrators having heard Counsel upon the objection raised on behalf of Quebec, to their jurisdiction over the subject matter of the assets enumerated in Schedule 4, "of the British North America Act, 1867, and duly considered the question, are of opinion, "and do adjudge that the assets enumerated make part of the property and assets, the division and adjustment whereof have been referred to them under the provisions of Section 142, of the said Act, and that they have by virtue of the said Act, authority to divide and adjust the same."

The Hon. J. H. Cameron, on behalf of Ontario, then proposed to go into the argument upon the proposition as to the mode of division pointed out in the case stated by Quebec, namely to treat the union of the Provinces in 1841 as a partnership—charging Ontario with the alleged debt Upper Canada had at the Union,—and crediting Quebec