

DEPARTMENT OF PUBLIC INSTRUCTION

Sept. 27th, 1920.

Included in the items of revenue of the Superior Education Fund is an amount of \$2518.44, being the annual interest on the Jesuits' Estate Settlement Fund. The act 19 Vic. Chap. 54 Seigniorial Amendment Act of 1856 entitles the Fund "Lower Canada Superior Education Investment Fund". The Fund was formed of sums funded or invested and the principal of all monies arising from the sale or commutation of any part of the estates or property of the Order of Jesuits.

Up to the fiscal year ended March 31st 1912 the Dominion Public Accounts showed this fund as \$412,314. Interest at 5% per annum, payable half yearly, had been paid by the Dominion Government since Confederation and up to the 30th of June 1910, after which date by agreement between the parties (the Dominion and the Province of Quebec) the rate of interest was reduced to 4% per annum, at which rate it remained until the 31st May 1912 when the principal was paid over to the Provincial Treasurer of the Province of Quebec.

While the Provincial Treasurer's reports acknowledge from the Dominion of Canada the item "Lower Canada Superior Education Fund" in the sum of \$412,314.25, it is credited to General Revenue and in subsequent reports of the Provincial Treasurer this sum does not appear as a Trust Fund nor as an asset of the Province, so that to all intents and purposes the Fund has disappeared.

The Act of 1856 and preceding Acts clearly stipulated that this money constituted a Trust Fund and the income alone was to be used.

The result of the various awards and arbitrations which settled the outstanding account between the late Province of Canada; the Dominion of Canada and the provinces of Ontario and Quebec was to declare this Fund to be the property of Quebec for the purpose for which it was established.

With regard to similar funds in the case of Ontario the Exchequer Court gave judgment on the 6th May 1906 to the effect that the Dominion could discharge itself of the funds by payment. The principle of the judgment was held to apply likewise to similar funds held for the Province of Quebec and thereupon at the request of the Province the payment was made.

There appears annually in Public Accounts the following item:

Protestant Committee
Public Instruction

12 months interest to April 15th at 4% per annua
on \$62,091. authorized to be paid said Committee
for Protestant Superior Education by the Act 53,
Vic. Chap. 31, section 20.....\$2518.44