

SETTLEMENT OF ACCOUNTS BETWEEN CANADA, ONTARIO AND QUEBEC.

Sir JOHN THOMPSON moved second reading of Bill (No. 99) respecting the settlement of accounts between the Dominion of Canada and the Provinces of Ontario and Quebec, and between the said provinces. He said: The accounts referred to in the title of the Bill have been in course of adjustment since the union of the provinces, and the difficulties which have arisen from time to time in the progress of that adjustment are pretty familiar to the House. It is very desirable, in the interest of Canada, as well as in the interest of the individual provinces concerned, perhaps more in the interest of Canada than in that of the provinces, that this subject should be brought to a conclusion. The Government of Canada are trustees of funds bearing a considerable, even a high rate of interest, and it is very desirable we should pay; but we are unable to pay until the accounts between the provinces in respect of these funds are adjusted. There is no established method by which these accounts are to be settled. Last autumn I had an opportunity to confer with a representative of the Province of Ontario and a representative of the Province of Quebec, and the conclusion arrived at was the scheme embodied in the present Bill. The scheme is simply this: These unsettled accounts shall be submitted to arbitration. The arbitrators shall be of judicial rank, and shall be agreed upon before being appointed by all of the parties; they shall be three in number, one being appointed by the Province of Quebec, one by the Province of Ontario, and one by the Dominion. They shall have the fullest power of arbitrators, in order that the settlement shall be complete, and shall leave nothing undetermined as regards these accounts. Inasmuch as we desire the settlement to be a complete and final one, we have clothed them with larger powers than judges possess in ordinary cases, and we make their decision final unless they shall decide on questions of law, and then they shall state the question of law and the decision shall be subject to review.

Mr. LAURIER. The object of the Bill is certainly a most desirable one. I suppose it has been brought forward after previous conference with the Governments of Ontario and Quebec. I suppose there is correspondence on the subject.

Sir JOHN THOMPSON. There is no correspondence on the subject, but I had personal communication, as I explained a few moments ago. We had a meeting at which both Ontario and Quebec were represented, and, in pursuance of the understanding arrived at there, those provinces have passed a similar Bill, and it only requires our assent.

Sir RICHARD CARTWRIGHT. We shall all be very glad to see the matter settled; but I venture to hope that the arbitration may not take quite as long a time as other arbitrations we wot of—such, for example, as the arbitration between the Government and the Canadian Pacific Railway Company. We cannot, however, make any absolute provision for closing the arbitration at a certain date.

Mr. LANGELIER. A Bill was passed by the Legislature of Quebec at its last session, containing about the same provisions as are to be found in the

Bill now before the House, and this Bill carries out the arrangement entered into between the Governments of Ontario and Quebec and the Dominion Government.

Mr. O'BRIEN. Will this include the settlement of the Indian claims under the Robinson Treaty, with respect to lands on the north shore of Lake Huron?

Sir JOHN THOMPSON. Yes; it will.

Mr. EDGAR. I observe that by this Bill only Canada is bound. I suppose the two provinces bound themselves by their own legislation?

Sir JOHN THOMPSON. Yes.

Sir RICHARD CARTWRIGHT. I should like to make an enquiry of the Minister of Justice. I see these gentlemen must all be judges. I suppose, however, it is not intended that they shall merely take up this arbitration during such intervals as their duties permit. If that is the case, it may go to a great length. It seems to me these gentlemen will have to give their time pretty much *de die in diem* until they get through, or some arrangement must be made to this effect.

Mr. MONTAGUE. I should like to enquire of the Minister of Justice whether the claims of the Mississaugas as to accrued interest will be included in the reference?

Sir JOHN THOMPSON. Yes; they will be.

Motion agreed to: Bill read the second time, and House resolved itself into Committee.

(In the Committee.)

Sir JOHN THOMPSON. With regard to the question asked by the member for South Oxford, (Sir Richard Cartwright), there will be little difficulty in the arbitration being disposed of within a short time, quite within the period of an ordinary piece of litigation. A great deal of the account-taking has been done, and the duties which will devolve on the arbitrators will be mainly the deciding of legal questions. I do not think any long examination into details will be necessary.

Mr. EDGAR. I should like the Minister of Justice to explain what is meant by the term "judges." There is no definition of the word, and no statement as to what kind of judges is mentioned, and whether retired judges are included.

Sir JOHN THOMPSON. It was considered desirable not to define the rank the judges shall be of, and therefore, if they come in any sense within the term "judges" the choice is free. I do not think retired judges would be considered judges, however. The hon. gentleman will see that it is provided that there shall be unanimous consent, although the selection in the first place is made by the Provincial Governments and by the Dominion Government respectively.

Bill reported, and read the third time and passed.

CERTIFICATES TO MASTERS AND MATES.

Mr. TUPPER moved second reading of Bill (No. 12) to further amend the Act respecting certificates to masters and mates of ships. He said: As I have already explained, this Bill is for the purpose of making regular the practice that has obtained since we have had a law concerning the granting of certificates to masters and mates, to