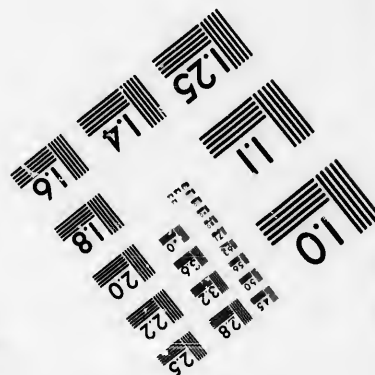
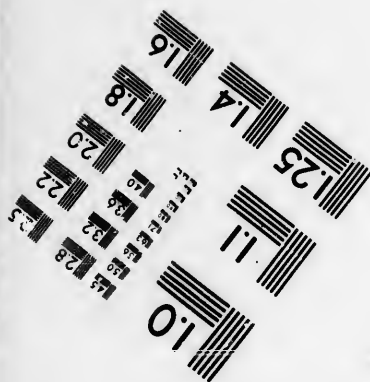
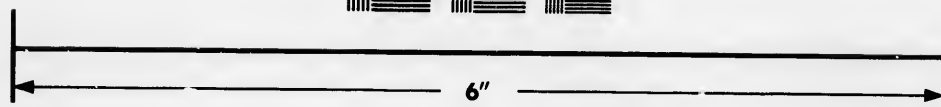
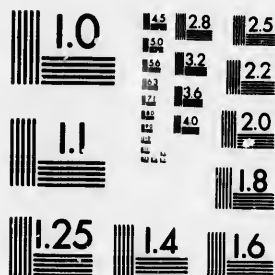


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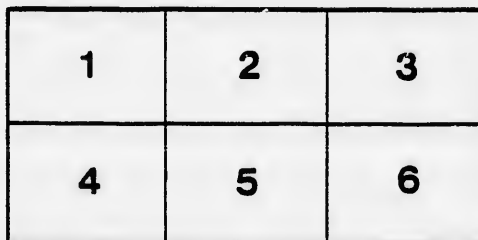
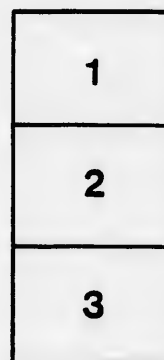
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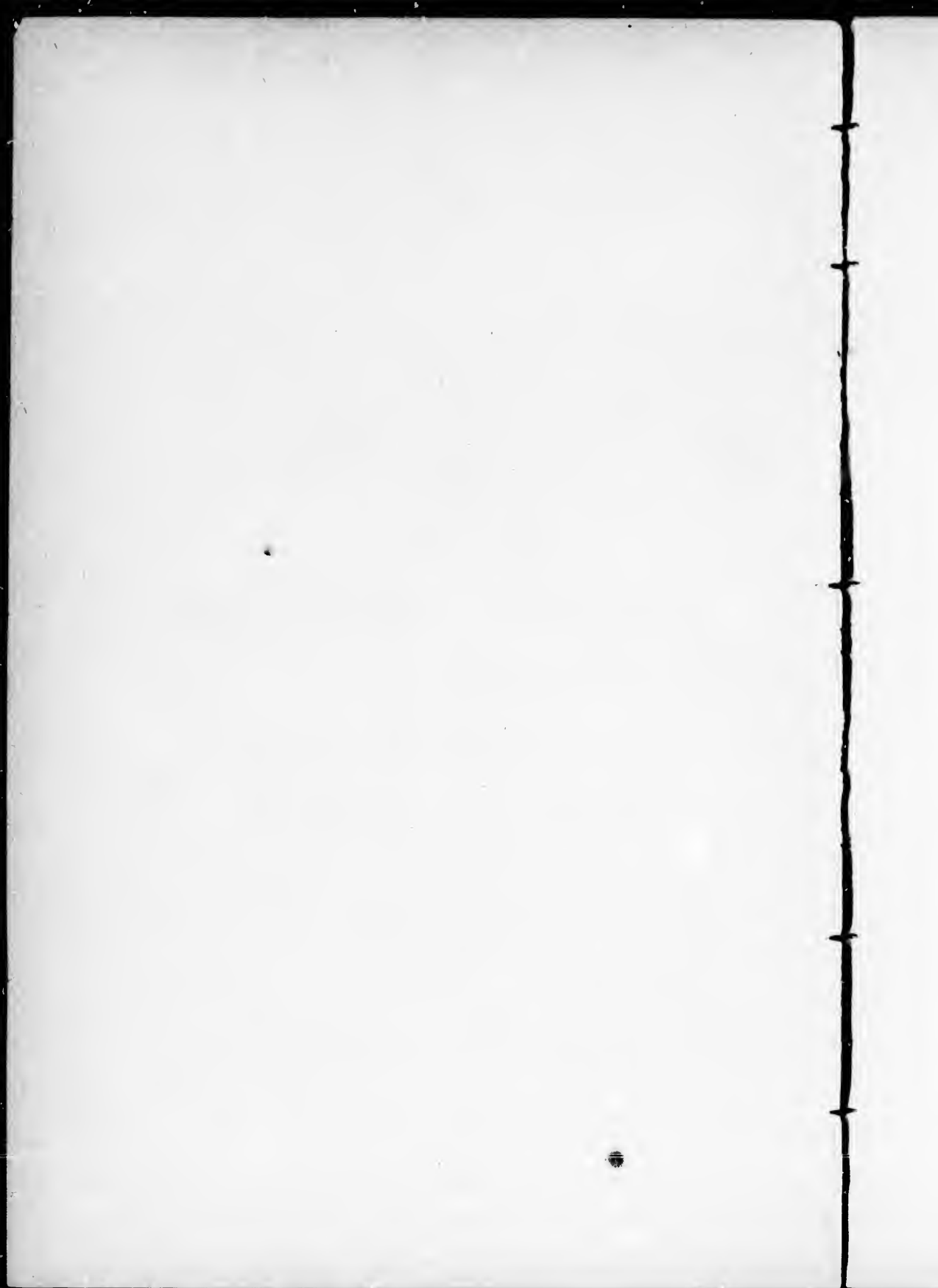
13

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ARBITRATION
BETWEEN
ONTARIO AND QUEBEC.

STATEMENTS

Compiled from the pretended Award.



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ARBITRATION

BETWEEN

ONTARIO AND QUEBEC.

The following Statements are compiled from the pretended Award of the two Arbitrators, Messrs. Gray and Macpherson, as showing how the Provinces of Quebec and Ontario would be affected thereby.

The figures placed opposite the respective items are those contained in said award and in public documents, with the value thereof, as nearly as can be ascertained from the public records of the Province of Canada and laws relating thereto.

ASSETS GIVEN TO ONTARIO

	Amount In Award.	Real Amount.
1. Upper Canada Building Fund.	36,800.00	36,800.00
2. Law Society Upper Canada...	156,015.61	156,015.61
3. Municipal Loan Fund, U.C....	6,792,136.39	10,387,535.63

4. Agricultural Society, U.C.... 4,000.00

5. University Permanent Fund... 1,220.63

<u>\$6,990,172.63</u>	<u>10,580,351.24</u>
-----------------------	----------------------

The figures placed in Real Amount column are taken from Public documents and are not to be understood as expressing the value of the items mentioned.

BY CLAUSE 2 OF AWARD.

REMARKS.

3. The individual Municipalities being responsible for the whole amount, see C.S.C. Cap. 83, Sect. 106 and 107 and C.S.L.C. Cap. 41, Sect. 27, of clause 2, this fund should have been stated as follows:

Capital.....	\$7,300,000.00
Less Sinking Fund.....	429,548.63

6,870,451.37

Interest.....	3,517,084.26
---------------	--------------

\$10,387,535.63

For the above figures see Mr. Langton's statement of the assets enumerated in the 4th Schedule, &c., 14 and 15.

4. An advance made in 1858; an over expenditure, consequently no asset.
5. This amount was charged against the University improperly and the debt is repudiated by it. The item was written off to Consolidated Fund before Confederation; no asset.

	Amount in Award.	Real Amount.
1. Aylmer Court House, Debenture account 6%. \$2,000.00 Account current. 1,239.70 <hr/>	3,239.70	
2. Montreal Court House. Debenture account.. \$95,600.00 Account current. 18,996.21 <hr/>	114,596.21	
3. Kamouraska Court House, account current.....	201.27	201.27
4. Royal Institution McGill College	7,790.00	
5. Municipal Loan Fund, L. C. . . .	2,939,429.97	2,507,041.10
6. Legislative School Grant.	28,494.73	
<i>Carried over,</i>	<i>\$3,093,751.88</i>	<i>2,507,242.37</i>

BY CLAUSE 3 OF AWARD.

REMARKS.

1. No asset. Before receiving anything on these amounts, the principal and interest on the first issue of debentures issued under Vic. 12, Cap. 112, must be paid; and the fund has never yet paid the interest on the first issue and not likely to do so.
2. No asset. Same remarks as above.

4. This amount was transferred to Consolidated Fund investment account before Confederation. The whole of Consolidated Fund Investments are deducted from the debt, consequently this is no asset.

5. This amount of \$2,939,429.97 includes the amounts of capital and interest charged originally to the Terrebonne and Ottawa Counties. A judgment of Court declared the issue of the debentures in this case to have been illegal, declared the Counties released from all liability therefor, and an order in Council, dated the 4th June, 1861, releasing these municipalities, confirmed this judgment. This item should, therefore, be stated as follows:

Capital.....	\$2,428,140.00
Less Ottawa and Terrebonne Capital..	225,000.00
	<hr/>
	\$2,203,140.00
Less Sinking Fund.....	271,452.86
	<hr/>
	\$1,931,687.14
Interest.....	782,742.83
Less Ottawa and Terrebonne Interest	207,388.87
	<hr/>
	575,353.96
	<hr/>
	\$2,507,041.10

Figures taken from Mr. Langton's statement of assets enumerated, etc.

6. This is merely an over-expenditure for educational purposes; no asset. Grants now made yearly for educational purposes.

ASSETS GIVEN TO QUEBEC

	Amount in Award.	Real Amo
<i>Brought forward</i> ,.....	\$3,093,751.88	2,507,242.37
7. Quebec Fire Loan.....	264,254.65	180,315.64
8. Temiscouata advance account.	3,000.00	
9. Education, East.....	290.10	
10. Building and Jury Fund, L.C.	116,475.51	
11. Municipalities Fund.....	484,244.33	
12. L. C. Superior Education In- come Fund... ..	234,281.46	
13. Montreal Turnpike Trust.....	188,000.00	
	<hr/>	<hr/>
	\$4,384,297.93	2,687,558.01

The figures placed in "Real Amount" column are taken from public documents, and are not intended to express the real value of the items mentioned.

BY CLAUSE 3 OF AWARD.—*Continued.*

REMARKS.

7. The amount due by the Fire Loan Books on 30th June, 1867, appears to be \$180,315.64, taking into account the O. C. passed in December, 1863. Valued by Ontario at \$87,204.03.
8. No asset at all, and does not exist in the books of the Province of Canada. It stood in the public accounts of 1865, but was transferred in 1866 to the account of Seigniorial Indemnity to Townships.
9. No asset at all. A balance left of defalcations in the Education Office.
10. An over-expenditure incurred for repairs of Court Houses and Gaol and the paying of petty jurors. Yearly assistance required for same purposes. No asset.
11. A large portion of this arose from advances made to several Municipalities on the credit of the Fund for County Court Houses, &c., and about \$36,000 more has been guaranteed to others by legislation, and will probably have to be paid by the Province of Quebec. Moreover, by the Seigniorial Act, of the total capital of the Seigniories of St. Sulpice, \$196,419.66 was made a charge to this Fund and forms part of the Seigniorial Compensation. This item of \$484,244.33 cannot possibly yield anything to Government and is no asset.
12. This is nothing but an over-expenditure ; no asset.
13. No asset. It is exactly of the same nature as the Montreal Harbour item mentioned in clause 12 of Award. Is not included in the debt of the late Province of Canada and is no asset. By award Quebec is, however, made liable, in case of any deficiency, to pay the debentures.

SPECIAL OR TRUST FUNDS GIVEN TO ONTARIO

	Amount in Award.	Amount.
<i>Per Clause 5</i>		
1. U. C. Grammar School Fund..	none	362,769.04
2. U. C. Building Fund.....	none	1,542,008.96
3. U. C. Municipalities Fund....	none	302,553.66
4. Widows' pensions and uncom- muted stipends.....	none	50,143.84
5. U. C. Grammar School Income Fund.....	none	36,167.65
6. U. C. Improvement Fund.....	none	5,119.08
7. Balance of Special Appropria- tions.....	none	218,473.37
8. Surveys.....	none	7,074.01
9. Canada Land and Emigration Company.....	none	12,928.37
<i>Per Clause 7</i>		
A. U. C. Improvement Fund.....	124,685.18	124,685.18
<i>Per Clause 8</i>		
B. Common School Fund.....	none	893,632.94
<i>Per Clause 14</i>		
C. Library of Parliament, etc.....	105,541.00	105,541.00
	<u>\$230,226.18</u>	<u>\$3,661,097.10</u>

BY CLAUSES 5, 7, 8 and 14 OF AWARD.

REMARKS.

These are really assets to be added to those thus called in clause 2 of Award, as they are liabilities of the Dominion to the Provinces to which either the capital or the interest thereon are to be paid.

1. Bears 5% interest. In the hands of the Dominion.
 2. The amount of \$36,800 under the same name in the assets given by clause 2 to Ontario, being due to the Government by the Fund, are here deducted from the total amount of \$1,578,808.96. This item also bears 5% interest. In the hands of the Dominion.
 3. In the hands of the Dominion ; payable in cash.
 4. Enough of interest comes in yearly to pay the stipends becoming due, and when stipends expire, the capital is in the hands of the Dominion.
 5. In the hands of the Dominion and stated to be payable in cash.
 6. do do do do do do
 7. In the hands of Dominion and payable in cash.
 8. do do do do
 9. do do do do
- A. From the Common School Fund as held on 30th June, 1867, \$1,733,224.47, clause 7, the amount of \$124,685.18 is deducted and placed to the credit of the Upper Canada Improvement Fund in the hands of the Dominion and stated to be payable in cash.
- B. This is 5-9 of \$1,608,539.29, left of the Common School Fund after crediting the U. C. Improvement Fund as above per clause 7.

SPECIAL OR TRUST FUNDS GIVEN TO QUEBEC

	Amount in Award.	Amount.
<i>Per Clause 6</i>		
1. L. C. Superior Education Fund...	none	377,251.53
2. L. C. Superannuated Teachers Fund.....	none	2,700.88
3. L. C. Normal School Building Fund.....	none	61,761.84
4. Widows' Pensions and uncommut- ed stipends.....	none	4,126.31
5. Balance of special appropriations.	none	99,482.20
6. Surveys	none	7,651.53
<i>Per Clause 8</i>		
A. Common School Fund.....	none	714,906.35
<i>Per Clause 14</i>		
Library of Parliament.....	94,459.00	94,459.00
	<u>94,459.00</u>	<u>1,362,339.64</u>

PER CLAUSES 6, 8 AND 14 OF AWARD.

REMARKS.

1. In the hands of the Dominion ; bearing 5%

2. do do do

3. do do do

4. do do do

5. do do do

6. do do do

A. This is $\frac{4}{5}$ of the \$1,608,539.29 of the Common School Fund after crediting the U. C. Improvement Fund with \$124,685.18 as per clause 7 of Award.

SUMMARY.

Assets and Special or Trust Funds.

ONTARIO.

	Amount in Award.	Real Amount.
Per clause 2 of Award.....	\$6,990,172.63	\$10,580,351.24
Per clauses 5, 7, 8, and 14...	230,226.18	3,661,097.10
	<u>\$7,220,398.81</u>	<u>\$14,241,448.34</u>

QUEBEC.

Per clause 3 of Award.....	\$4,384,297.93	\$2,687,558.01
Per clauses 6, 8 and 14.....	94,459.00	1,362,339.64
	<u>\$4,478,756.93</u>	<u>\$4,049,897.65</u>

Proportion of debt per Award, should the surplus debt be	\$10,600,000
ONTARIO.....	\$5,593,673
QUEBEC.....	\$5,000,327

