

tories at all in the recent election in face of it.

Mr. FIELDING. In the first part of the resolution the word 'lands' is referred to and in the latter part we refer to public lands. If the committee will permit me, I will insert the word 'public' so as to make them uniform.

Amendment agreed to.

On resolution No. 4,

Resolved, That as additional compensation for such lands there shall be paid by Canada to the said province annually for five years to provide for the construction of necessary public buildings, one-quarter of one per cent on such estimated value, or \$93,750.

Mr. FIELDING. I beg to move that the resolution be amended to read as follows :

As an additional allowance in lieu of the public lands there shall be paid by Canada by half-yearly payments in advance to the province annually for five years from the time this Act comes into force, to provide for the construction of necessary public buildings, the sum of \$93,750.

There is no change in the substance of the resolution but there is a change in the drafting as previously explained.

Mr. R. L. BORDEN. Is it intended to place any restrictions upon the use to which the province shall put this money?

Mr. FIELDING. No.

Mr. R. L. BORDEN. Then, are not the concluding words of the amendment surplusage?

Mr. FIELDING. It is intended to be a special allowance to the province for public buildings.

Mr. R. L. BORDEN. Then you intend to restrict them to the use of the money for that particular purpose. Could they use it for the administration of justice?

Mr. FIELDING. No. What I meant was that it was not intended to restrict them as to the character of the buildings. The grant being for a special purpose it is reasonable that they should apply it to that purpose. The reason for stating it in the amendment is that in view of any further transactions we might have, it is well to know the reasons why it was granted.

Mr. SAM. HUGHES. Is this government going to trust the province to erect the buildings?

Mr. FIELDING. I think so.

Mr. R. L. BORDEN. They have much more faith now than they have hitherto shown in the provinces. Does the amendment mean merely a statement of the reason on account of which the grant is made for five years?

Mr. LAKE.

Mr. FIELDING. It is a suggestion to the provinces as to the use to which it should put the money, but there is no restriction as to that particular use. I think it will be found necessary to spend quite that sum and perhaps more. We certainly did intend that the money should be applied to buildings, but there is no other restriction.

Mr. R. L. BORDEN. Very well.

Amendment agreed to.

Mr. FIELDING. It was understood that I should change the phraseology a little of the resolution relating to allowance in lieu of subsidy. The question has been raised as to whether the words of section 2 would create anything more than an annual payment and after the word 'advanced' in the third line of section 2, I propose to add the words :

—the annual sum of \$405,375, being the equivalent of interest, &c.

I think the wording is already plain enough but this addition will probably make it plainer that it is an annual payment only and not a capital sum.

Mr. HENDERSON. I am not quite clear that the amendment will get over the difficulty to which I have referred. In a similar instance the province of Ontario claimed that they were not only entitled to be paid the annual sum but that if they desired they were entitled to get the principal upon which that interest was based. Notwithstanding that the Act of parliament creating the annual sum declares that it should be paid as an additional subsidy, and notwithstanding that the wording of that Act (chap. 4 statutes of 1884) is much more expressive than the words in the amendment of the Finance Minister himself, a portion of that capital amount has been paid over to the province. True, it is charged to the province as a debt, but no doubt the intention is that at some future time the entire sum may be paid over. I am quite aware that the Minister of Finance argues against my contention that the Act of 1884 speaks of this sum as a 'capital sum,' but as against that there is the broad statement that the amount of \$142,414 is the annual payment to be made to the province of Ontario in consideration of that capital sum and the Act declares that the sum shall be paid to Ontario as an additional subsidy. I very much fear that the contention will be set up in years to come, that as this sum is interest there must be capital behind it, and that if the province is entitled to interest it is entitled under the Act of 1885, chap. 4, to call for the principal when it so desires. I know that the Minister of Finance is endeavouring to get over that, but I think he should have used words so explicit that all chance of difficulty in the future would be avoided.

Why refer to this as interest at all? Could we not call it by some other name?