they could draw it at any time to be expended in the interest of the people of the province with certain limitations. I will venture to read the letter written to the hon. Minister of Finance by Mr. Ross:

Toronto, December 29, 1899.

My Dear Sir,—The government of Ontario have appointed a royal commission for the purpose of inquiring into and reporting on the financial affairs of the province. For the purpose of assisting the commission in the prosecution of their inquiry, I am desirous of ascertaining how your department regard the sum of money ($2,848,000) which has been placed to the credit of the province by chapter 4 of the statutes of 1884.

Although we have not called on the Dominion for payment of this money, we have assumed in our accounts that it belongs to the province, and that if we had desired to use it for provincial purposes we would have been free to do so.

Kindly let me know the view which your department takes of this question.

Yours truly,

G. W. ROSS.

Hon. W. S. Fielding, M.P.,
Minister of Finance,
Ottawa.

This is a statement over the signature of the premier of Ontario that the government of Ontario had deposited with the government at Ottawa $2,848,000, and they so stated in their financial statement to the people of Ontario at that time. Thus they were enabled, by the placing of that amount to the credit of Ontario, held by the Dominion government in trust, to put before the electors of Ontario the statement that they had a surplus of money when the fact is they had no surplus. And then it was the great question of debate in the legislature of Ontario for many years, and was a great question before the electors in that province. I believe that the Minister of Finance, and particularly the Minister of Justice, should be very careful now when they are legislating for the new provinces to remove altogether the word 'interest,' and make it so plain that the people of western Canada will not be confronted with that question as the people of Ontario have been confronted with it for so many years.

Mr. HENDERSON. In the event of the language being so construed at any time by the courts or by any government, that the province of Alberta was entitled to call upon this capital sum the province would not only be entitled possibly to call upon that capital sum but would be entitled to capitalize the annual payment at the current rate of interest. I have made a calculation. Suppose Alberta established the fact that being in receipt of an annual income of interest of $405,375 from the Dominion of Canada—and wherever there is interest there must of necessity be principal—they would certainly have just as much right to capitalize that at 3 per cent as at 5 per cent if money was not worth more than 3 per cent. and instead of taking a capital sum of $8,000,000 or rather of $8,107,500 they would practically have a capital sum of $13,512,500 rendering this Dominion liable for a much larger sum than we contemplate at the present time. It is no simple problem, and if the English language can possibly make it clear beyond a doubt I would say decidedly, make it clear. I do not want to rob those provinces of anything to which they are enitled but when we agree to give a substantial sum let us leave no doubt whatever as to the exact sum they are entitled to get. The illustration I have given of what might be the demand of the province of Alberta is simply a repetition of a calculation made by the Hon. Mr. Ross, in the province of Ontario. He contended that he had a right to capitalize his interest at 3½ per cent when money was worth 3½ per cent and showed a very much larger amount of capital in the hands of the Dominion than he was actually entitled to in the first instance, when in fact there was practically no capital. But in this instance we admit there is capital because there is interest and where there is smoke there is generally fire, according to the old saying; where there is interest we consider there must be capital, there must be something behind it, what I fear is the dangerous word 'interest.' I apprehend that even if we satisfy ourselves now, possibly ten or fifteen years hence there may be men who will take a different view of that interest.

Mr. FIELDING. My hon. friend and I will have to leave this matter to the lawyers and if they say the words used fail to express the intention of the committee I will consent to consider an amendment. I do not think anything which Sir Leonard Tilley said years ago or anything I may say now will be of any value in interpreting this statute in the future. It must be interpreted like other statutes, according to its own words, and it is not likely that any one will refer to the debates in this House to ascertain its meaning. We must make it clear and if we have not done so let us do so. But since the hon. member from Peel (Mr. Blain) has also read the letter which I addressed to the Hon. Mr. Ross, whether that letter was wise or unwise, right or wrong, it was based on the language of the statute as it then existed. That is not the same language as we have here, and therefore we do not get any assistance by importing into the discussion that letter giving an opinion, possibly an erroneous one, based on the statute as it then existed. The statute here is in different terms and is designed for a different purpose. If my hon. friend (Mr. Henderson) finds, after he consults his legal friends, that this language fails to express the intention of the committee I have no desire to adhere to the words used.

Mr. FOSTER. Was the letter written by the advice of the Department of Justice.