1933
* May 29, 30
* Oct. 3.

IN THE MATTER OF A REFERENCE CONCERNING REFUNDS OF DUES PAID UNDER THE TERMS OF SECTION 47 (F) OF THE TIMBER REGULATIONS, IN MANITOBA, BRITISH COLUMBIA, SASKATCHEWAN AND ALBERTA

Crown lands—Timber—Homesteads—Constitutional law—Agreements respecting transfer from Dominion to Western Provinces of Crown lands, etc. (confirmed by B.N.A. Act, 1930)—Obligation to refund dues to homesteaders pursuant to terms of S. 47 (f) of Timber Regulations promulgated under Dominion Lands Act—Whether an obligation of the Dominion or of the respective Provinces.

Sec. 47 (*f*) of the Timber Regulations, promulgated under the *Dominion Lands Act,* required the holder of an entry for a homestead, if he desired to cut timber on the land, for sale, to secure a permit, and to pay dues on timber sold to other than actual settlers, but provided that the amount so paid should be refunded when he secured his patent. After the agreements for the transfer of Crown lands, etc., to Manitoba, Saskatchewan and Alberta, and for retransfer of Crown lands in certain areas to British Columbia, became effective (in 1930), the question arose whether the obligation to refund dues as aforesaid was upon the Dominion or the Province. The agreement between the Dominion and Manitoba provided (and clauses in the other agreements were to the like effect) that the Crown's interest in Crown lands, etc., and all sums due or payable for such lands, etc., should belong to the Province, subject to any trusts existing in respect thereof, and to any interest other than that of the Crown in the same, and that "any payment received by Canada in respect of" any such lands, etc., before the agreement came into force, should continue to belong to Canada whether paid in advance or otherwise, the expressed intention being that (except as in the agreement otherwise specially provided) Canada should not be liable to account for any payment made in respect of any of the lands, etc., before the agreement came into force, and that the Province should not be liable to account for any such payment made thereafter; and that the Province would "carry out in accordance with the terms thereof every contract to purchase or lease" any Crown lands, etc., "and every other arrangement whereby

* PRESENT:—Duff C.J. and Rinfret, Lamont, Smith, Cannon, Crocket and Hughes JJ.

any person has become entitled to any interest therein as against the Crown."

Held: The obligation to refund dues as aforesaid was, under the terms of the agreement, upon the Province.

The obligation to refund was a term of an "arrangement" whereby the homesteader had "become entitled to an interest" in "Crown lands" "as against the Crown," within the meaning of the agreement. (A homesteader's rights and the character thereof, with regard to timber on the land, discussed, with reference to the *Dominion Lands Act* and Regulations).

The moneys so received by the Dominion as timber dues were "payments" (and continued to belong to Canada without liability to account) within the contemplation of the agreement.

Said S. 47 (*f*) of the Regulations was validly promulgated under authority of the *Dominion Lands Act* (ss. 57 (1), 57 (2*b*) and 74 (*k*) of the Act particularly referred to and considered).

Held, further: The patentee of a homestead has, by force of the *B.N.A. Act, 1930* (confirming the agreements and giving them "the force of law"), a direct recourse, for such refund, against the Province.

REFERENCE by His Excellency the Governor General in Council, under the provisions of s. 55 of the *Supreme Court Act,* R.S.C. 1927, c. 35, to the Supreme Court of Canada, of the questions set out below.

The Reference was made by Order in Council dated May 4, 1933, which proceeded upon a report from the Acting Minister of Justice, with reference to the provisions of the regulations governing the granting of yearly licences and permits to cut timber on government lands in Manitoba, Saskatchewan and Alberta, and in what are commonly known as the "Railway Belt" and "Peace River Block" in British Columbia, which timber regulations were established by Order in Council of March, 26, 1924, and subsequent amending Orders in Council, under the authority of the *Dominion Lands Act,* now R.S.C., 1927, c. 113, and with reference, in particular, to the provisions of paragraphs (*e*) and (*f*) of s. 47 of the said regulations (which paragraphs (*e*) and (*f*) are set out in the judgment now reported).

Prior to the coming into force of the several Agreements entered into between the Government of the Dominion of Canada and the Governments of the Provinces of Manitoba, Saskatchewan, Alberta, and British Columbia, respectively, whereby provision was made for the transfer to the said Provinces, respectively, on the terms and conditions therein set forth, of the natural resources therein described (which said Agreements were confirmed and given the force

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of law by the *British North America Act, 1930,* 20-21 Geo. V, c. 26 (Imp.)), permits to cut timber were, pursuant to the terms of paragraph (*f*) of s. 47 of the Timber Regulations, granted to entrants for homesteads, etc., on Dominion lands within the said several Provinces, and dues required to be paid, under said paragraph (*f*) of s. 47, were paid by the permittees to the Dominion Government. Under said paragraph (*f*) of s. 47, the amount so paid was to be refunded when the permittee secured his patent.

Subsequently to the coming into force of the said Agreements between the Dominion and the said respective Provinces, many of such permittees became entitled to and received patents, for the lands for which they had made entry, from the Crown in the right of the Province within which such lands were respectively situate, and thereupon became entitled to a refund of dues paid by them as aforesaid. The question then arose between the Dominion Government and the Government of each of the said Provinces, whether the obligation to make the refund of dues in such cases was, under the terms of the said Agreements, an obligation of the Provincial Governments, respectively, or of the Dominion Government.

The questions referred were as follows:

"(*a*) Under the terms of the several Agreements aforementioned, is the obligation to refund dues, pursuant to the terms of paragraph (*f*) of section 47 of the Timber Regulations, in the cases aforementioned, an obligation of the Dominion or of the respective Provinces?

"(*b*) If the obligation be that of the Dominion, is the Dominion entitled to be recouped by the Provinces respectively, the amount of the dues so refunded?"

C. P. Plaxton, K.C., and *J. E. Read, K.C.,* for the Attorney-General of Canada.

W. J. Major, K.C., Attorney-General of Manitoba.

O. M. Biggar, K.C., for the Attorney-General of Saskatchewan and the Attorney-General of Alberta.

E. F. Newcombe, K.C., for the Attorney-General of British Columbia.

The judgment of the court was delivered by

DUFF C.J.—Our opinion is required touching matters involved in questions addressed to us by His Excellency the Governor in Council, in an order dated the 4th of May, 1933. These interrogatories concern the scope of a stipulation found in agreements between the Dominion of Canada and the provinces, British Columbia, Manitoba, Alberta and Saskatchewan, respectively. They are in these terms:

(*a*) Under the terms of the several Agreements aforementioned, is the obligation to refund dues, pursuant to the terms of paragraph (*f*) of section 47 of the Timber Regulations, in the cases aforementioned, an obligation of the Dominion or of the respective Provinces?

(*b*) If the obligation be that of the Dominion, is the Dominion entitled to be recouped by the Provinces respectively, the amount of the dues so refunded?

The general effect of the agreements, with Alberta (October 1, 1930), with Saskatchewan (October 1, 1930), and with Manitoba (July 15, 1930), is to provide for the transfer of the lands, mines and minerals of the Crown in the right of the Dominion, in these several provinces, to the provinces in which they are situate. The agreement with British Columbia provides for the re-transfer to the province of the Crown lands, mines and minerals in the areas known respectively as the Railway Belt and the Peace River Block.

The precise issue is whether or not the provinces severally assumed, by these agreements, an obligation to repay moneys received by the Dominion, as dues in respect of timber permits granted to entrants in occupation of homesteads, under regulations professedly promulgated under the *Dominion Lands Act*. The regulation which gives rise to the obligation to repay is no. 47 (*f*). We quote it textually, as well as no. 47 (*e*):

(*e*) Any holder of an entry for a homestead, a purchased homestead or a pre-emption, who, previous to the issue of letters patent, sells any of the timber on his homestead, purchased homestead or pre-emption, to owners of saw-mills or to any others without having previously obtained permission to do so from the Minister, is guilty of a trespass and may be prosecuted therefor before a justice of the peace and, upon summary conviction, shall be liable to a penalty not exceeding one hundred dollars, and the timber so sold shall be subject to seizure and confiscation in the manner provided in the Dominion Lands Act.

(*f*) If the holder of an entry as above described desires to cut timber on the land held by him, for sale to either actual settlers for their own use or to other than actual settlers, he shall be required to secure a permit

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from the Crown timber agent in whose district the land is situated, and shall pay dues on the timber sold to other than actual settlers at the rate set out in section 42 of these regulations, but the amount so paid shall be refunded when he secures his patent.

The articles of the several agreements in virtue of which, in the view of the Dominion, the provinces have assumed the repayment provided for in regulation 47 (*f*) are (we quote clauses 1 and 2 of the Manitoba agreement which, admittedly, are in substantially identical terms with the cognate clauses of the other agreements):

1. In order that the Province may be in the same position as the original Provinces of Confederation are in virtue of section one hundred and nine of the *British North America Act, 1867*, the interest of the Crown in all Crown lands, mines, minerals (precious and base) and royalties derived therefrom within the Province, and all sums due or payable for such lands, mines, minerals or royalties, shall, from and after the coming into force of this agreement, and subject as therein otherwise provided, belong to the Province, subject to any trusts existing in respect thereof, and to any interest other than that of the Crown in the same, and the said lands, mines, minerals and royalties shall be administered by the Province for the purposes thereof, subject, until the Legislature of the Province otherwise provides, to the provisions of any Act of the Parliament of Canada relating to such administration; any payment received by Canada in respect of any such lands, mines, minerals or royalties before the coming into force of this agreement shall continue to belong to Canada whether paid in advance or otherwise, it being the intention that, except as herein otherwise specially provided, Canada shall not be liable to account to the Province for any payment made in respect of any of the said lands, mines, minerals or royalties before the coming into force of this agreement, and that the Province shall not be liable to account to Canada for any such payment made thereafter.

2. The Province will carry out in accordance with the terms thereof every contract to purchase or lease any Crown lands, mines or minerals and every other arrangement whereby any person has become entitled to any interest therein as against the Crown, and further agrees not to affect or alter any term of any such contract to purchase, lease or other arrangement by legislation or otherwise, except either with the consent of all the parties thereto other than Canada or in so far as any legislation may apply generally to all similar agreements relating to lands, mines or minerals in the Province or to interests therein, irrespective of who may be the parties thereto.

These clauses must, of course, be read together, and in light of the objects of the compacts as disclosed by their recitals, their provisions as a whole, and the circumstances all parties had in view in concluding them; but the matter in controversy may fairly be stated thus: Is the obligation to repay a term of an "arrangement" under which "any person became entitled to an interest" (within the meaning of these clauses) in any "Crown lands * * * as against the Crown"? The Dominion contends that the obligation is a term of an "arrangement" creating such

an "interest" in one or both of these senses: first, as one of the terms under which the entrant acquired and held his homestead; and, second, as a term of the "arrangement" under which the entrant obtained a permit to cut timber under regulation 47 (*f*).

By the *Dominion Lands Act* (s. 2 (h)) "homestead" is defined thus:

"homestead" means the land entered for under the provisions of this Act or of any previous Act relating to Dominion lands for which a grant from the Crown may be secured through compliance with the conditions in that respect prescribed at the time the land was entered for.

But this definition does not, of course, exhaustively describe the entrant's rights in relation to his homestead. The statute declares (s. 8) that lands of the character described in the section are open for homestead entry; it provides for application for entry (s. 11); and by subsection 2 of the last mentioned section it is enacted:

2. When application is so made for land then open to homestead entry, the local agent or officer acting for him shall accept it upon payment of the said fee and shall give the receipt hereinafter provided for; and the acceptance by the local agent, or the officer acting for him, of the said application and of the fee shall constitute entry, and the receipt given to the applicant in form D shall be a certificate of entry and shall entitle the recipient to take, occupy, use and cultivate the land entered for, and to hold possession thereof to the exclusion of any other person, and to bring and maintain actions for trespass committed on the said land; and the land shall not be liable to be taken in execution before the issue of letters patent therefor: Provided that occupancy, use and possession of land entered for as a homestead, shall be subject to the provisions of this Act or of any other Act affecting it, or of any regulations made thereunder.

Sections 16 and 25 prescribe the conditions upon which the entrant becomes entitled to conveyance of the lands comprised within his homestead by letters patent. They are in these words:

16. Every entrant for a homestead shall, except as hereinafter otherwise provided, be required, before the issue of letters patent therefor,

(*a*) to have held the homestead for his own exclusive use and benefit for three years;

(*b*) to have resided thereon at least six months in each of three years;

(*c*) to have erected a habitable house thereon;

(*d*) to have cultivated such an area of land in each year upon the homestead as is satisfactory to the Minister; and

(*e*) to be a British subject.

25. The entrant for a homestead, or, in the event of his death, his legal representative or his assignee, or, in the event of his becoming insane or mentally incapable, his guardian or committee or any person who, in the event of his death, would be his legal representative, may, after the expiration of the period fixed by this Act for the completion of the requirements for obtaining letters patent for a homestead, make application therefor; and upon proving to the satisfaction of the local agent, or the officer

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acting for him, that the said requirements have been fulfilled, if the proof is accepted by the Commissioner of Dominion Lands, the entrant, or, in the event of his death, his legal representative or his assignee, shall be entitled to letters patent.

A word of comment on these enactments will not be superfluous. The holder of a homestead during the term of his occupation, antecedent to the issue of the letters patent, has, subject to limitations not at present material, an exclusive right of occupation. It is not very profitable to seek, in the types of interests in land recognized by the common law, for some sort of common law description which may be supposed, by force of analogy, to be appropriate to the holder's interest in the land comprised within his homestead. That interest is most conveniently envisaged as a statutory interest *sui generis,* the character of which, as well as the rights annexed or incidental to it, must be ascertained from the *Dominion Lands Act,* and other statutes, as well as from any statutory regulations, "affecting it". (R.S.C., 1927, c. 113, s. 11 (2)).

As to the entrant's rights in relation to the timber on his homestead, in which we are especially concerned, the statutory conditions require him to hold "the homestead for his own exclusive use and benefit" for the statutory period; to reside there six months in each of the three years; to cultivate "such an area * * * in each year * * * as is satisfactory to the Minister".

These requirements seem clearly to imply, having regard to the well known conditions under which homestead duties are usually performed, a right, in addition to the right of protection against trespass, to cut timber, not only for the purposes of cultivation, but also for fencing, for building, for fuel and for all other purposes involved in the maintenance of his occupation and in the working of the homestead, in the manner contemplated by the statute. If there could be any doubt of this, it would be swept away by reference to regulations 50, 51, 52 and 54 quoted in the Dominion's factum, and to s. 103 of the statute, of which regulation 47 (*e*) is a textual reproduction.

The right to cut, for the purposes of enabling him to enjoy the homestead as exclusive occupant, as cultivator, and for his own domestic purposes, seems to be all that can reasonably be implied, as necessary or incidental to the exercise of rights expressly conferred, or necessary to enable him to perform his duties.

Furthermore, s. 103 of the Act which, as already mentioned, is textually reproduced in 47 (*e*), must be taken into account, for the purpose of ascertaining the character of the holder's right in relation to the timber on his land. That section seems to imply that possession of the timber on the land (which includes trees standing, fallen or cut (s. 2 (*j*)) remains in the Crown. Moreover, by s. 63 of the statute, no person cutting or carrying away any timber from Crown lands acquires any right to such timber. By s. 65, where it is mixed with other timber so that it is impossible to identify it, the whole mass is deemed to have been cut without authority, and, further, the property of the Crown is not lost by reason of the fact that it has been used for building purposes.

The right given by regulation 47 (*f*) is a right conditional upon obtaining a permit to cut timber either for sale to actual settlers for their own use or to others than actual settlers.

It is of no importance whether you regard this right to cut timber for commercial purposes, given by the regulation, as (1) an item in the sum of rights of the entrant as the holder of a homestead, or as (2) a separate right. It is plain that the right must be exclusive, as, admittedly, the statute does not contemplate the issue of licences or permits for cutting timber, on land within the boundaries of a subsisting homestead, to others than the holder; and, from either point of view, this right to cut timber would appear to vest in the holder of it an "interest in land" within the meaning of the agreements.

We think the former of these two ways of regarding this right is the better one. In effect, the statute and the regulations together give to the entrant the right to cut timber on his homestead "without stint", provided he complies with the conditions of the regulation. From this point of view, his right on obtaining his Crown grant to be repaid the dues paid by him under his permit seems to be plainly one of the "terms" of "the arrangement" under which he acquires, first, the rights enjoyed during his occupancy, and, afterwards, his right to a patent.

But, even considering the right to cut under the regulation as a separate right, we think it constitutes "an interest" in "Crown lands * * * as against the Crown" within the meaning of s. 2 of the agreements.

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Indeed, any other construction of these words would lead to singular results.

By s. 57 of the statute, the Governor in Council is authorized to make regulations for the "issue (to settlers) of permits to cut timber for building purposes on their farms or for fuel for themselves"; "to steamboat owners, for use on their steamboats"; "in connection with * * * mining * * * operations"; "for the construction of railways, bridges, churches, schools and public buildings, or any public works"; "for sale as cordwood"; "for pulpwood". By s. 57 (2) the Governor in Council may make regulations for the issue of permits "to cut timber as cordwood, pulpwood, fence posts, telegraph poles or props for mining purposes or for any other purpose". Acting under the powers so conferred upon him, the Governor in Council promulgated regulations authorizing permits in most, if not all, of these cases.

Consider a permit, for example, under s. 57 (1*g*) to cut timber "for sale as cordwood", or, under s. 57 (2*b*), for "telegraph poles", and in force on the date when the agreements took effect. It would be strange if the rights of the holder of such a permit were not protected by the agreement; and we think such protection was intended to be and is provided by the words of clause 1,

> subject to any trusts existing in respect thereof, and to any interest other than that of the Crown in the same,

when read and construed (as they must be) together with the correlated words of clause 2,

> every other arrangement whereby any person has become entitled to any interest therein as against the Crown.

"Interest," in our opinion, includes, at least, every interest which it was the duty of the Crown to recognize, as trust embraces every obligation savouring of the nature of trust or equitable obligation affecting the lands, mines and minerals transferred, to which the Crown was under duty to give effect. From this point of view the right of repayment is one of the terms upon which he acquires his permit.

But it is necessary to notice an argument addressed to us to the effect that the right of the patentee to repayment is not a right arising under an "arrangement," within the meaning of the agreements. The words of clause 2, "and every other arrangement whereby," etc., must, it is argued, be construed in compliance with the rule *noscitur*

a sociis as extending only to arrangements of a "contractual nature."

The subject of the clause comprises two classes of arrangements, (1) contracts "to purchase or lease any Crown lands, mines or minerals," and, (2) "every other arrangement whereby any person has become entitled to any interest therein as against the Crown".

It is quite impossible, of course, to contend that the second class includes only arrangements which are strictly contracts, because if that had been the purpose of the clause, the word "contract" would have been used, instead of "arrangement," to describe the kind of transactions falling within it.

Then, is the statutory system, under which the homestead entrant becomes entitled to the rights which the statute conditionally gives him, an "arrangement," within this second class? It would not be misleading, though, perhaps, not technically accurate, to speak of the provisions of the statute as an offer, and the performance of the conditions as an acceptance, and the resulting statutory rights as rights arising from the offer so made and so accepted. This is, we repeat, not a precise legal description of what takes place, but at least it may be stated that, if this statutory system under which these rights arise, involving, as it does in its working, co-operation between the entrant, in the performance of the prescribed statutory conditions, and the Crown and the officers of the Crown, in recognizing the resulting statutory rights of the entrant, and giving effect to them, is not an "arrangement" or does not involve arrangements of such a nature as to bring it within the second class, then the scope of that class, except in so far as it comprehends transactions which are simply and strictly contracts, embraces only an extremely narrow field. We think the language of the clause is altogether too explicit to justify such a restriction of its scope. It seems to us that the character of the arrangements contemplated is clearly defined by the adjectival phrase "whereby any person has become entitled to any interest therein as against the Crown"; and that these words should be construed in their ordinary sense.

As to the term "arrangement" itself, comment seems unnecessary. It clearly extends to the transaction or series of transactions, by which the entrant becomes entitled,

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first, to his homestead, and afterwards to his Crown grant; as well as to the transaction by which he acquires his rights under a permit.

We now turn to an argument vigorously urged upon us by the provinces and,, especially, and very ably, in the factum filed on behalf of Manitoba. It is based upon this sentence in clause 1:

> any payment received by Canada in respect of any such lands, mines, minerals or royalties before the coming into force of this agreement shall continue to belong to Canada whether paid in advance or otherwise, it being the intention that, except as herein otherwise specially provided, Canada shall not be liable to account to the Province for any payment made in respect of any of the said lands, mines, minerals or royalties before the coming into force of this agreement, and that the Province shall not be liable to account to Canada for any such payment made thereafter.

The argument is that the moneys received by the Dominion as timber dues under the regulation are not "payments," within the contemplation of the agreement. In one form of the argument, it is contended that these moneys are in the nature of a security for the performance of the conditions entitling the holder of the permit to a patent. It is also put in this way: the Dominion did not acquire these moneys, it is said, as owner, but held them only in trust or *in medio,* for disposition, according to the event, on the issue of letters patent, or the abandonment or cancellation of the homestead, as the case might be.

We see nothing to justify the conclusion that the Dominion did not receive these moneys as owner. There is nothing to indicate that they are to pass to a separate fund, or that they are to be dealt with in any other way than moneys received from any other source of revenue. It is impossible to doubt that, in considering the facts bearing upon the financial readjustments provided for, or contemplated by the agreements, moneys received from this source would be taken into account as against the Dominion. In our view, the contemplated character of the transactions in respect of these moneys is precisely what they appear to be on their face: first, a receipt of timber dues as revenue, dealt with in the same way as all such revenues are dealt with; secondly, a payment back to the patentee, of the moneys so paid in, under a statutory right, which came into existence on the issue of the patent. We are, therefore, unable to give effect to this contention.

There remains the question whether regulation 47 (*f*) was promulgated under statutory authority. We think this question must be answered in the affirmative on two grounds. First, the authority given by s. 57 (2*b*) which is in these words:

> permits to cut timber as cordwood, pulpwood, fence posts, telegraph poles or props for mining purposes or for any other purpose, over tracts of land not exceeding one square mile in area, except in the case of permits to cut pulpwood which may apply to tracts of such area as may be determined by the Governor in Council:

seems to us to be adequate to support the regulation.

There was some suggestion that the words "for any other purpose" must be limited in obedience to *noscitur a sociis* in such a way as to exclude a regulation like regulation 47 (*f*) from its purview. We think you cannot exclude commercial purposes from the scope of the phrase "any other purpose". When the whole of s. 57 is looked at it is plain that there is much overlapping and, we think, you cannot, in construing it, assume a series of strict logical disjunctions. We doubt if, regarding the section as a whole, the *ejusdem generis* rule has any proper application to the phrase "any other purpose". We are satisfied, moreover, that regulation 47 (*f*) falls within the ambit of the powers conferred on the Governor in Council by s. 57 (1).

Admittedly, as already observed, the statute does not contemplate subjecting land held under homestead to the same regulations respecting the grant of permits or licences to cut timber as those governing the granting of such permits or licences in respect of lands still in possession of the Crown. But s. 57 does not itself regulate the issue of permits; it leaves the whole subject to the Governor in Council, and we see no reason for concluding that Crown timber on homestead land is not within the regulatory authority conferred by the section, which must, of course, be exercised in consonance with other provisions of the statute relating to homesteads.

There is another basis upon which the regulation can be sustained. By s. 74 (*k*) the Governor in Council is empowered to

> make such orders as are deemed necessary to carry out the provisions of this Act, according to their true intent, or to meet any cases which arise, and for which no provision is made in this Act; and further make any regulations which are considered necessary to give the provisions of this section full effect.

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We cannot think of any reason for excluding such regulations as 47 (*e*) and (*f*) from the ambit of the authority hereby created.

There is still a further question, and that is whether or not the patentee has, by force of the statute, a direct recourse against the province. Had we felt any doubt on the subject, we should have considered it improper to answer the question in the absence of some argument in the interest of the patentees. It is clear to us, however, that the *B.N.A. Act, 1930,* gives statutory force to the obligations of the provinces under arts. 1 and 2 of the agreements; this, we think, is the effect of s. 1 of the statute which is in these terms:

> 1. The agreements set out in the Schedule to this Act are hereby confirmed and shall have the force of law notwithstanding anything in the *British North America Act, 1867,* or any Act amending the same, or any Act of Parliament of Canada, or in any Order in Council or terms or conditions of union made or approved under any such Act as aforesaid.

The phrase "shall have the force of law," when found in the statutory enactment and in the context in which it appears, can, we think, have no other meaning.

The answers which we shall respectfully submit to His Excellency are:

To the Interrogatory numbered One: The said obligation is an obligation of the respective provinces;

To the Interrogatory numbered Two: In view of the answer to Interrogatory No. One, this question does not arise; but, if our view had been that the provinces were not under a direct obligation to refund, we should have considered that the Dominion, on refunding such dues, would be entitled to recoupment from the province concerned.

Questions answered accordingly.

Solicitor for the Attorney-General of Canada: *W. Stuart Edwards.*

Attorney-General of Manitoba: *W. J. Major.*

Solicitor for the Attorney-General of Saskatchewan: *Alex. Blackwood.*

Solicitor for the Attorney-General of Alberta: *J. J. Frawley.*

Solicitor for the Attorney-General of British Columbia: *Eric Pepler.*