

(APPENDIX B.) See Journal page 24.

(No. 4.—Continued.)

Upon the whole the undersigned conceives that though the consumption of particular articles may from various causes be greater in the one province than the other, the difference does not sensibly affect the estimate founded on the basis of comparative population, which appears the surest guide in forming a fair and impartial decision on the question referred to the Arbitrators.

The undersigned has no means of supplying the Honorable the third Arbitrator with the information required in the fourth question. In the agreement in 1795 giving Upper Canada an eighth of the revenue, as well as in that of 1817, assigning an increased proportion of a fifth, the Commissioners no doubt acted on the best means of information within their reach respecting the comparative population and consumption of the provinces. The undersigned has reason to believe that at neither of the periods alluded to, was a formal census taken of the population in either province, and that the Commissioners must therefore have proceeded upon documents less positive and satisfactory.

In reply to the last question, the undersigned begs leave to submit an official paper, dated at the Government House, at York, on the 5th July, 1825, which shews, that according to returns made under the authority of a Provincial Statute, the population of Upper Canada amounts to 156,886 souls.

No official statement has yet appeared of the population of Lower Canada. The undersigned however submits a table, which was published in the year 1822 shewing the number of inhabitants in the various parishes of that province. According to this paper the number is estimated at 364,546. This enumeration of the people, is said to have been taken under the superintendence of the Clergy in the various Parishes, and may therefore be considered tolerably accurate.

(Signed)

JAMES BABY,

Arbitrator for Upper Canada.

Montreal, 20th July, 1825.

(No. 5.)

THE Arbitrator on the part of Lower Canada, having taken into consideration, the questions submitted by the honorable the third Arbitrator, dated the 18th instant July, to the Arbitrators of the respective provinces, for the purpose of gaining information, has the honor to reply thereto, as follows: *Viz:*

To question 1st.—It is impracticable to obtain evidence of the amount of dutiable goods, passing from Lower into Upper Canada, and consumed in the latter province, in any manner, which could enable the Arbitrators to found thereupon an award, that would be correct, or even approximated to correctness. On the contrary, any evidence now procurable, would be so vague, and unsatisfactory, as to lead to great error if acted upon.

To question 2nd.—The comparative population of the two provinces, even if accurately ascertained, would not form a proper basis whereon to found an estimate of the consumption within the provinces respectively, because that consumption, depends upon the habits of the people; and in the article of Rum, which is the chief source of the duties levied at Quebec, it is known that the consumption thereof, in Lower Canada, is very great, and that of Corn Spirits trifling in comparison; whereas the consumption of Upper Canada is chiefly of Whiskey, produced by local distillation from materials of its growth, and that of Rum, small in relative proportion: consequently the division of duties, by the scale of population, would be unjust. Were it, however, otherwise, the population is only conjectural, not being founded on enumeration legally made. An Act passed in the last Session of the Legislature of the Lower province for taking a census, which is now in progress of execution, but the result cannot be known before next year.

To question 3rd.—Supposing the comparative population of the two provinces, to be a proper basis for forming an estimate of the consumption of dutiable goods within the respective provinces under modifications, there are no data to be depended upon, whereon any modification could be founded, that would not lead to equal error in practice.

To question 4th.—There is no document, in the possession of the Arbitrator for Lower Canada, to shew that the Commissioners of the two provinces, who concluded the last agreement, relating to the proportion of duties in the year 1817, whereby one-fifth was allowed to Upper Canada, took the comparative population of the two provinces for their basis. The contrary is presumable, from the population being then, as it is now, matter of conjectural estimate, unsupported by actual enumeration: consequently, it cannot be now ascertained with accuracy, what the then population of either province was.

To question 5th.—The Arbitrator for Lower Canada, cannot give any estimate to be depended upon, of the present population of the two provinces. It has been variously stated according to the feelings of the estimators, as to the bearing or effect it might have upon political or other questions, wherein both or either of the provinces have an interest.

(Signed)

JOHN RICHARDSON, *Arbitrator on the part of Lower Canada.*

MONTREAL, 20th July, 1825.

A true copy, from a paper in the possession of the third Arbitrator.

(Signed)

JOHN MACAULAY, *Secretary to the Arbitrator for Upper Canada.*

J.