

subsidies throws too great a burden upon Dominion customs' duties, a burden which could not be sustained in the event of an interruption of commerce or an unforeseen increase in the expenditures of the Dominion. In other words, it is held to be dangerous to settle so heavy a fixed charge upon revenues so liable to fluctuation.

The present essay, sketching lightly the history of the financial arrangements of Confederation, may first perhaps be made to suggest an explanation of the origin of this clause, and to indicate the outlines of a relative justification on strictly Provincial grounds, and secondly, perhaps, to call up those circumstances which lead to the first readjustment of the original inter-provincial arrangement, and caused the question of Provincial subsidies to assume its present form.

The Act of Union by substituting a legislative union for a customs pool, and by settling her debt upon the consolidated fund of the united Province, had freed Upper Canada from the financial difficulties of 1839. The act, however, provided that Upper and Lower Canada should be represented in the Legislative Assembly by an equal number of members, and this arrangement could not be altered except by an impossible two-thirds vote in the assembly and the council. The more populous Province had always, therefore, a grievance.

Upper Canada seems to have remained quite satisfied with the arrangement for equal representation so long as her population was not equal to that