

Those who have had to deal with the debts of the different Provinces forming the Dominion can readily believe that the adjustment of the Imperial and Colonial debts, and of the proportion of the expenses of diplomacy, defence, and war, to be borne by each section of the empire, would form the most difficult problem ever submitted to a financier. Even if each section of the Confederation assumed its own debts, the present foreign policy of Great Britain, and the existing treaties to which it is a party, not only result in heavy present outlay, but might at any time lead to difficulties with other powers, involving large expenditures, in the incurring of which the different colonies could have no interest except that of sympathy with the mother country. Again, should the revenues of the Confederation be distributed according to population, what small shares would fall to the lot of Australia and Canada, enterprising and relatively rich in comparison with some other colonies! And even were financial arrangements arrived at before Union, would not the ever-changing circumstances of such differently situated sections of the empire give rise to constant agitation for alterations? It does not seem possible that a mutually satisfactory financial basis could be arrived at.

The formation of the Imperial Councils and Representation in the general Parliament would form another difficult problem. Is population the true basis of representation? Then India, with a race inferior, and yet improving to some extent in energy and intelligence, would have an undue preponderance; or would India still be regarded as a conquered empire? Similar questions would arise in others of the dependencies.

These are some of the difficulties which suggest themselves as standing in the way of the consolidation of the empire under an Imperial Confederation in its pure and simple form. Modifications of the idea have been suggested, but they all have some one or other of the obstacles above referred to. The least objectionable form, were it in the present temperament of the colonies feasible, would be that of a General Council sitting at Westminster, in which the United Kingdom and the colonies would be represented, each section retaining its present constitution practically unaltered, and imposing its own customs' dues, and appropriating its own revenues; and the Council having only powers affecting the general interests of the different sections in their