It is true that while the Union lasted this debt remained a common liability, and would always have so remained, if the union had been, as was intended, perpetual ; yet now that the severance has come and the debt has to be paid to the outside creditor represented by the Dominion, it does not seem reconcileable with any standard of reason or justice that it should be paid by Lower Canada.

The debt was the debt of Upper Canada, and it makes no difference that it has changed its form once or twice or oftener during the Union ; for if the figures be correctly stated at five and a half millions, the fact stands out that at this day it more than doubles the amount of the surplus of debt to be divided.

I am of opinion, then, upon the whole case—

1st. That the propositions Nos. 1, 2, 3, submitted in behalf of Ontario, are inadmissible.

2nd. That the rules of division and adjustment should be those which govern certain partnerships or associations, to which the Union of the Provinces must be assimilated, in so far as those rules can be made applicable to the circumstances of the case.

3rd. That the arbitrators have authority, under the provisions of the B. N. A. Act, to examine into the state of indebtedness of each of the Provinces of Upper Canada and Lower Canada as it existed at the time of the Union of 1841.

4th. That they are not legally debarred by any particular circumstances of the case or any general rule of law from entering upon such examinations.

C. D. DAY.

DISSENT AND JUDGMENT BY THE ARBITRATOR APPOINTED BY THE GOVERNMENT OF QUEBEC.

The undersigned Arbitrator dissents from the judgment of the Hon. D. L. Macpherson and the Hon. J. H. Gray, two of the Arbitrators appointed under the B. N. A. Act of 1867.

1. Because the said judgment purports to be founded on propositions which in the opinion of the undersigned are erroneous in fact and in law and inconsistent with the just rights of the Province of Quebec.