old Tory party, aided by a very few of the extreme reformers, the bill for increasing the representation, originally introduced by the late Sir Louis Lafontaine, was lost on two or three occasions, owing to its not being supported by the clear majority of two-thirds. Just at the time when it became law two of the most important measures which have ever been submitted to a Canadian Parliament, viz., the Secularization of the Clergy Reserves and the abolition of the seigniorial tenure, were ripe for legislation. It was deemed by the administration of the day that before legislating on these subjects it was desirable "to bring into operation the measure for the readjustment of the representation in the House of Commons," and also that for extending the franchise which was only to come into operation on 1st January, 1855. Accordingly when Parliament met in 1854, legislation was invited simply on a bill to bring the extension of the franchise into early operation, and on one to give effect to the reciprocity treaty, which had just been negotiated by Lord Elgin at Washington. The opposition to the Administration, consisting of members holding few or no other opinions in common, combined to oppose the Government. An amendment was at first proposed by an extreme reformer, expressing regret that His Excellency had not been advised to recommend a measure for the secularization of the Clergy Reserves and for the abolition of the seigniorial tenure. This was rejected by 54 votes to 16, the Ministerial and Conservative parties uniting to reject it. Then a new amendment was framed expressing the same regret that a measure had not been recommended for the settlement of those questions, which was carried by 42 votes to 29.

Lord Elgin in his dispatch to the Secretary of State observes:—"The Conservative members, availing themselves of "the ambiguity of the word 'settlement' "to join the party who were censuring "the administration for not having introduced during the then session a bill for "the secularization of the Clergy Reserves. Lord Elgin laid down very clearly the anomalous position of the House of Assembly. He wrote:—"Moreover the "position of the House of Assembly itself, "in reference to the point which had "been raised, was an anomalous one. On "the issue whether or not it was seemly "that a certain class of questions should "be dealt with before the dissolution, "which would bring into operation a more "perfect system of popular representation, that body might be said to be a "party to the suit. Its verdict, therefore, in the particular case could hardly "be held to carry with it the authority "which, under ordinary circumstances, "would attach to the decision of the "popular branch of the Legislature." It is well known that Lord Elgin was advised to dissolve the Parliament, which was so constituted in regard to the popular branch as to render it impossible to form an administration. The temporary coalition between the conservatives and extreme reformers was of short duration. It so far succeeded that at the elections, which followed, the discordant coalitionists obtained a small majority, which soon led to the disruption of the administration, and the formation of what has since been known as the Liberal-Conservative party. We have already noticed that the late dissolution affords conclusive evidence that Sir John Macdonald has modified his views since he pressed the settlement of questions of the highest importance by a legislature which had been condemned by two-thirds of both Houses. Sir John is one of the few survivors of his own party who took part in that memorable contest; and of the leaders of the extreme reformers from Ontario there is probably not a single survivor of those who joined in effecting the disruption of the party. It would be interesting to know what the present leaders of that party think of the late dissolution. It will, we imagine, be generally admitted that the increase of representation in 1853, which was common to the two divisions of the united Provinces, and which was much more extensive, presented a stronger case in favor of dissolution than the late redistribution. The policy of that measure it is not our intention to discuss, but we cannot be surprised that those who maintain that it was equitable should likewise be of opinion that, having been sanctioned by Parliament, it was only proper to bring it into early operation. We may observe that as regards the new election giving capitalists any *bona fide* security for their investments in manufacturing industries it is a mere delusion. No such security can be given, and enterprizes that are entirely dependent on protection must always be hazardous.

DIRECT TAXATION.

There are tolerably clear indications that the new taxes, which have been proposed to the Quebec Legislature by the Administration, will be resisted to the last by the various commercial bodies on which it is contemplated to impose them. The immediate question for consideration is not so much the policy of the taxes, as the constitutional right of the Legislature to impose them, and it is highly desirable that there should be an authoritative decision of the highest tribunal as to the true interpretation of the term direct taxation. We should imagine that the Government itself has rather changed its views since the delivery of the budget speech of the Treasurer, and it will be recollected that when Mr. Irvine questioned the legality of the proposed "licenses," a term that was used in the speech of the Treasurer and in the statement that he submitted, Mr. Wurtele advised him to wait until he saw the Government scheme in the form, in which it would be introduced. The resolutions have since been submitted, and it is singular that there is no reference whatever in them to a license tax. On the contrary, they say that "the annual "taxes imposed on and payable by the "commercial corporations, &c.," shall be so, and so, and these taxes are the same as the "list of dues to be paid for the different licenses, which the companies are "bound to procure." The powers of the Quebec Legislature in regard to taxation are strictly defined by the British North America Act, and include "Direct taxation within the Province in order to the "raising of a revenue for Provincial purposes," also, "shop, saloon, tavern, "auctioneer and other licenses, in order "to the raising of a revenue for Provincial, "local or municipal purposes."

We hardly see how it is possible to doubt that when the budget speech was delivered, the intention of the Quebec Administration was to obtain the revenue which it required by a license tax. Every one of the ten paragraphs commences "On each license to do business," and in the introductory paragraph it is said, "The following is a list of dues to be paid "for the different licenses, which the "companies are bound to procure." When the old Insurance case was under the consideration of the courts, it was claimed that the authority to impose the tax was conferred by the clause authorizing "other licenses," as well as those for taverns, saloons, &c. The final judgment seems to have been based on the nature of the tax, it being not really a license fee or tax, but a stamp tax, which it was not constitutional for the Legislature to impose. The Privy Council, in accordance with the general practice of Judicial tribunals, confined themselves strictly to the narrowest point before them for decision, and the consequence will probably be another appeal on another point. The Privy Council declared that "it is not necessary for them to consider the scientific definition of direct or indirect taxa-