

FURTHER PAPERS

RELATIVE TO

THE CLERGY RESERVES IN CANADA.

No. 21.

COPY of a DESPATCH from the DUKE of NEWCASTLE to the
EARL of ELGIN and KINCARDINE.

My LORD,

Downing Street, 24th March 1853.

In my despatch of the 15th January last, I informed you that Her Majesty's Government had determined on advising Her Majesty to accede to the prayer of the address to the Queen from the Commons of Canada on the subject of the Clergy Reserves.

2. I enclose a copy of the Bill which has been introduced into the House of Commons by the Under Secretary of this Department in pursuance of that decision, and which has passed the second reading by a large majority.

3. By the last section of this Bill, as it was originally introduced, it was proposed to repeal section 8. of the Act to provide for the sale of these reserves passed in 1840, which imposes a guarantee of certain annual sums to the Churches of England and Scotland respectively on the Consolidated Fund,—a guarantee which has hitherto been inoperative on account of the large excess of the proceeds of the Reserves above the sums in question, and which for the same reason would in all probability remain so if those proceeds continued to be appropriated to the present purposes.

4. At the time when this provision of the Bill was adopted, I was not aware of any peculiar circumstances connected with the introduction of the guarantee clause into the Act of 1840 which should take that clause out of the ordinary case of similar enactments. Power being given to the Canadian Legislature over the fund itself, it appeared consistent that the collateral guarantee should cease.

5. It seems, however, on further inquiry, that there was an understanding on the subject of that clause in 1840, between Her Majesty's then Ministers on the one hand, and the Archbishop of Canterbury, as representing the Church of England in Canada, on the other. The provision established by it was made a condition for the concession then required on the part of the Church of England. This being the case, it may be thought that considerations of good faith are involved in its maintenance. I refer you for farther explanation to the debate which took place in the House of Commons on the 6th July 1840.

6. Under these circumstances, Her Majesty's Government have thought it advisable to propose the withdrawal of the third section, which was accordingly struck out of the Bill by the House of Commons in Committee on the 18th current.

7. The effect of this omission will be, that the charge contingently imposed on the Consolidated Fund will remain unaffected by this Act. The contingency is one which cannot arise so long as the life interests protected by the Bill continue to require the expenditure of 7,700*l.* annually for the Church of England, and 1,580*l.* for the Church of Scotland, unless (which is not to be anticipated) the proceeds of the Reserves should fall below that joint amount. It was against this event, however, that the provision was intended to guard. When the life interests have so far terminated as to reduce the sum required below that amount, then, if the remaining proceeds of the Reserves shall have been devoted to purposes other than those of the Churches of England and

Bill.