

sources are susceptible. Thence, the investment not being immediately profitable, the burden of the interest payable on the public loan is thrown on the ordinary revenue raised by means of taxes intended to meet only the current public expenditure.

As compared, however, with similar public debts incurred by different States of the neighbouring Republic for the promotion of national objects, the debt of this Province is but small; while future resources, and the wants of an increasing population, have been here anticipated to a far less extent.

The Americans have also borrowed money on more disadvantageous terms than those obtained by this Province, the existing laws of which only permit the Government to negotiate in London loans at par, bearing five per cent interest; whereas, the Americans have not hesitated to raise money on the best terms that could be obtained, and which latterly have been productive of a loss varying from five to ten per cent on the amount of the borrowed capital.

The unhappy troubles with which this Province has been visited; the doubts that have been raised as to the permanency of its political institutions, assisted by the expression of opinions in quarters whence the Colonies justly looked for support; and the threats of armed interference in our affairs by the American Citizens, with the attempts made to carry them into execution on various occasions, are circumstances which have naturally tended to induce a feeling of insecurity and a consequent depreciation in the value of property which is beginning to be most severely felt.

The present inconvertibility of property leaves without the means of meeting their engagements those who have become indebted on its security; and comparatively trifling liabilities are thus found sufficient to work the ruin of individuals hitherto believing themselves opulent, and who would actually be so could they realize what they own.

By the same unhappy causes, the ordinary influx of immigration and British Capital has been suspended; so that anticipated income from public works has not been forthcoming from the want of means to complete them.

Your Lordship may give me full credit, when I assure you that it is this state of things, more than any theoretic difference in regard to politics, which renders the government of this Country to the satisfaction of the community so difficult as to be almost impossible; and I cannot blame, or be surprised at, the discontents of a people who, though connected with the most powerful Empire on the earth, are nevertheless enduring evils usually attendant only on the prostration of national strength!

It is not in my power, my Lord, to retrieve the almost withered hopes of Upper Canada; nor will the suffering inhabitants be able of themselves to sustain their fortitude in the immediate neighbourhood of a powerful hostile population and in the rear of a rebellious Province. I see very clearly that if the present state of things be suffered to continue for a much longer period, there must be a general wreck of property; and although eventually public prosperity may be restored, and may give to the young, ardent, and the unencumbered an opportunity of growing rich, yet it will not restore to those who have been prosperous the well-earned fruits of former industry, nor replace the present holder of property in the possessions which will have passed from him.

The effects of the moral deterioration which, it is to be feared, all this is working in the people, will finally make these Provinces indeed untenable and worthless; since the energies of their inhabitants, which can alone render them of sufficient value to be worth retaining, will be unavailing, unless supported by the *feeling* that

the protection and security which the governed naturally look for from their Government are afforded to their full extent.

The means, my Lord, of averting these impending evils are not to be sought for in the Province, but in the Mother Country; and all will depend upon the opinion of the British Government as to the desire and power of England to retain the country in the face of all opposition. The present friendly professions of the Government of America may be sincere, however contradicted by the outrageous conduct of her border citizens. But there is no real security for their continuance; and the question is not whether Canada can be held, during a time of peace—but, whether in peace or war it is to be protected or contended for with the power of the Empire.

Assuming that Your Lordship holds an affirmative opinion in this matter, the bright side of the prospect presents itself, and I see little difficulty in producing the most desirable results from the bold and decided measures that must follow.

It must be obvious to Your Lordship that the prosperity of the Colony must mainly hinge upon the progressive development of its resources by the united agencies of immigration and British capital.

The preliminaries to the efficient employment of these great means will be comprised in placing the Province in a state of complete defence, and in raising the credit of the Colony in the British markets. This will attract capital, seeking profitable investment—that will inspire confidence as well to the borrower as the lender; for, my Lord, it must be remembered that capital is diverted from the country into other channels merely because a doubt has been engendered as to the permanency of its political institutions. To induce immigration on a scale commensurate with the importance of the object which it is intended to promote, I would respectfully suggest to Your Lordship that it should be directly facilitated as a great national measure, and considered as that best calculated to preserve, at perhaps the least expense, the connexion of the Colony with the Parent State.

Your Lordship is aware to how narrow an extent the resources of this Province have hitherto been tried in the way of taxation levied on the trade of the country. Were the imports increased to even one half of the amount in proportion to property raised throughout the American Union, the Provincial Revenue—provided that tranquillity and confidence were restored—would be in a flourishing condition, and the interest on the public debt could be met with facility; but unfortunately the want of a sea-port places it beyond the power of the local Government and Legislature to make any addition to the import duties: and even if this could be effected, the want of confidence that is at present felt would prevent the measure from being attended with an immediate beneficial effect upon the public credit.

Without now discussing in what manner Upper Canada is to be permitted to have a port of her own, I trust I am not wrong in supposing that the giving her access to the sea will form a prominent feature in any remedial measures that may be proposed in her behalf in the British Parliament. When this is accomplished, the Revenue may be at once materially increased without the slightest injury to trade, without anticipating future resources, and without producing any discontent.

The very best security would be at the same time available to the public creditor, as a certain portion of such revenue might be inalienably set aside for the liquidation of the public debt.

I look, my Lord, upon this prospect as a substantial foundation for the measure I am about to propose. The preservation of this Province as a Colony is essentially in the hands of England. Let England then