

I entirely concur with you, that it is most desirable for the interests of the Province, that the introduction of settlers of the class of those who intend to emigrate from Scotland, should be encouraged ; and with this view, I am anxious to point out to you, and through you to the Legislature, that the true object to be attained by the system of sale now in force in the British North American Provinces, is the acquisition of land by those only who have the will and the power to improve it. I am of opinion, therefore, that the principle of selling, and not of granting land, should exclusively prevail, but that the whole price paid for it should be invested in such a manner as to render it more valuable to the *bona fide* occupiers. To this end, in the southern hemisphere, the sums received for Land Sales are mainly expended in the introduction of labourers, by which means the value of land is most directly increased.

A similar principle is, I conceive, advantageously applicable to New Brunswick, where all money received for land might be expended in improving the means of communication, by opening roads. By allowing no land to be obtained otherwise than by purchase, (which does not necessarily exclude receiving payment in labour instead of in money,) and at the same time strictly applying the proceeds of Land Sales to the improvement of the district from which they are derived, the danger of abuse from parties taking land which they are not able or willing to bring into cultivation, would be effectually guarded against, while the land might be sold at a higher price than is usually acquired in New Brunswick, and yet prove really cheaper to the purchaser than when sold at almost a nominal price, and left without roads or other improvements.

On the other hand, it is obvious, that if the money received for land is not expended in rendering it more available for settlement, the result must be to increase most seriously the difficulty experienced by valuable settlers in establishing themselves in the Province, by exhausting their capital in paying for the land, without affording them any corresponding advantages.

Entertaining these views, I earnestly trust that the Legislature of New Brunswick may see fit to enable you to offer encouragement to the settlers proposing to emigrate from Scotland, by empowering you to undertake, on the part of the Local Government, that the whole purchase money of any land they may buy shall be employed in the manner I have pointed out, and that similar encouragement will be given to other parties, who, I trust, may, by the means I have recommended, be induced to follow their example.

I am, &c.

(Signed)

GREY.

Lieut. Governor Sir E. Head, Bart.

[*Vide Appendix No. 2.*]

NEW BRUNSWICK.

Message to the Legislative Council,

EDMUND HEAD.

5th February, 1849.

The Lieutenant Governor, referring to his opening Speech, communicates to the Council, copies of Despatches received from Her Majesty's Secretary of State relating to the Public Expenditure of this Province and the mode of imposing Duties on articles of importation.

E. H.

(Copy—No. 6.)

REVENUE.

Downing Street, 22d March, 1848.

SIR,—I have had under my consideration Sir William Colebrooke's Despatch, and its enclosures, of the 25th February, No. 20, in which he states that a question has arisen in New Brunswick,—“ Whether the repeal of the Imperial Duties Act, in the Parliamentary Session of 1846, has had the effect of modifying the instructions contained in Lord Stanley's Circular Despatch of the 28th June, 1843, and should preclude the Provincial Assemblies from imposing differential Duties ;”—and subjoins two opinions of Counsel on the point, one of the Advocate General, Mr. Wright, the other of the Solicitor General and three other Queen's Counsel.

It