

FURTHER PAPERS

RELATIVE TO

THE AFFAIRS OF CANADA.

From Governor-General the Right Hon. the Earl of Elgin
and Kincardine to Earl Grey.

No. 1.

CANADA.

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COPY of a DESPATCH from Governor-General the Right Hon. the Earl of
ELGIN AND KINCARDINE to Earl GREY.

Government House, Montreal,

May 5, 1849.

(Received May 22, 1849.)

MY LORD,

IN consequence of the excitement which the passage of the measure for the indemnification of parties in Lower Canada, whose property was destroyed during the rebellion of 1837 and 1838, has occasioned, and of the desire expressed in certain quarters that Her Majesty's power of disallowance should be exercised in this instance, I think it my duty to furnish your Lordship with a report upon it in anticipation of the usual period for the transmission of the Bills of the Session. It will be necessary, however, before I proceed to explain its provisions, to submit a statement of the circumstances which led to its introduction.

2. In the last session of the Parliament of Upper Canada, an Act was passed, entitled "An Act to ascertain and provide for the payment of all just claims arising from the late rebellion and invasion of the province." The intention of this Act would seem to have been to provide indemnity only for owners of property which had been destroyed by rebels and sympathisers from the States. But in the first session of the united Parliament, an amended Act was passed, (4 and 5 Vic., c. 39) which contains the following clause, "and be it enacted, that the powers vested in, and the duties required of, the said Commissioners under the said Act, shall extend and be construed to extend to inquire into all losses sustained by Her Majesty's subjects and other residents within that part of this province to which the said Act extends, from the first breaking out of the said rebellion to the passing of the said Act, and the several claims and demands which have accrued to any such persons by such losses, in respect of any loss, destruction, or damage of property occasioned by violence on the part of persons in Her Majesty's service, or by violence on the part of persons acting or assuming to act on behalf of Her Majesty, in the suppression of the said rebellion, or for the prevention of further disturbances, and all claims arising under, or in respect of the occupation of any houses or premises by Her Majesty's naval or military forces, either Imperial or provincial."

I do not find that any objection was taken by the Home Government to the principle or details of either of these Acts, except on the ground that the preamble of the first as it was originally introduced, contained a pledge, which was afterwards, on Lord John Russell's remonstrance, expunged, that the indemnity in question should form a charge on the Imperial Treasury.

3. On the question of providing funds for the payment of the indemnity thus voted, considerable difference of opinion appears, however, to have prevailed in the local Parliament. The leaders of the Liberal party generally contended that it would be unjust to make it a charge on the resources of the united province, without extending a similar boon to Lower Canada, and that it would be inexpedient to saddle on the general revenue so considerable an additional