

The Lords Commissioners of the Treasury have further requested that I would call your attention to the provisions of the Act 1st Vict. c. 4, by which the Act 7 and 8 Wm. 3, cap. 2., and all other Acts which would otherwise have expired with the Session of 1838, were continued. They observe that the effect of this Act is highly inconvenient, inasmuch as by the indiscriminate extensions of expiring laws, Her Majesty's Government are virtually prevented from expressing any opinion on the policy of continuing enactments passed, like that for the suspension of specie payments to meet a case of pressing and special emergency.

Having thus explained to you the views of Her Majesty's Government on this subject, and the course which they consider that, under ordinary circumstances, it would be proper for you to adopt with reference to it, I think it right in the present position of affairs in Canada, to entrust you with the discretion of not acting on these instructions,—should you have reason to believe that during the coming Session of the Provincial Legislature the enforcement of them would be attended with prejudice to the public interests.

I have the honor to be,

SIR,

Your most obedient humble servant,

(Signed)

GLENNIE.

Major-General

SIR GEORGE ARTHUR, G. C. H.,
&c. &c. &c.

(COPY.) No. 11.

Castle of St. Louis,
Quebec, 9th October, 1838.

SIR:

I have the honor to acknowledge the receipt of Your Excellency's Despatches, No. 15, of the 15th of August, and No. 20, of the 17th ultimo, with their respective inclosures. The first relates to the propriety of placing the surplus Revenues of the Post Office, accruing in Upper Canada, at the disposal of the Legislature of that Province, and also of imposing an additional duty of 2½ per cent. at Quebec. The second relates to the suspension of specie payments in Upper Canada, particularly calling my attention to the state of the Metallic Currency of the two Canadas.

I answer these two Despatches, together, because, with the exception of expressing my regret that the Banks of Upper Canada do not see the practicability of a speedy resumption of Specie payments, I have only to state that I cannot take any steps with respect to any of these questions so important to the mutual relations and future prosperity of these Provinces, because I deem it unadvisable that I should, on the eve of my departure, commence any new series of measures affecting any but the ordinary business of the Government of this Province.

The matters to which Your Excellency calls my attention and in which you invite my co-operation, require grave deliberation and the most perfect union on the part of both Provinces. They are all of a kind on which it is necessary that the Public opinion of both Provinces should be consulted ere a course of policy is definitively adopted. And I cannot help thinking that the circumstance that three such questions as those of the currency and Banking, the management of the Post Office, and the rate of Customs' duties in the two Provinces, require at the same time the adoption of some common measures on the part of the Legislature, or of the Executive, points out the necessity, for mutual convenience and the common welfare, of the existence of some general Government that might regulate all matters of general concern to the two Canadas and the other Provinces of British North America.

I have the honor to be,

&c. &c. &c.

(Signed)

BURHAM.

His Excellency Major-General

SIR GEORGE ARTHUR,
&c. &c. &c.

(COPY.) No. 6.

Beaving Street,
28th December, 1837.

SIR:

On your arrival in Upper Canada, it is necessary that you should be prepared to communicate to the Legislative Council and Assembly, the answer of the Queen to the joint address of the two Houses of the 16th of February last, praying that the Instructions which on the 11th of August 1836, I addressed to Sir Francis Head on the subject of Bills incorporating Banking Companies, and otherwise affecting the monetary system of the Province might be revoked. I have therefore received Her Majesty's commands to address to you the following communication as comprising Her Majesty's answer to that address.

The motives by which His Late Majesty's Instructions on this subject were dictated, were of no light or ordinary kind. Anxious to observe the progress of commercial speculations in different parts of the world, and especially on the North American Continent, the ministers of the Crown perceived but too much reason to anticipate the rapid approach of a period in which the multiplication of various conventional substitutes for Gold and Silver money would involve the British North American Provinces in Financial calamities of the most serious character. The effect of such a state of things upon the operations of the Confederacy, and upon the Commercial relations of Great Britain, not only with the British Provinces, but with many Foreign States, became the subject of serious concern.