

the Province amount in currency to £14,642, to pay which and give to His Majesty's Government the surplus of £566 sterling (equal to £653 1s. 6d. currency, in dollars at 4s. 4d. or to £628 17s. 9d. at the usual rate of exchange), would require a grant from the Legislature in currency of £15,295 or £15,271 per annum, according to the rate of exchange at which the surplus may be calculated; and if it is intended out of that surplus to make provision for an efficient Audit Department in the Province, the expenditure will be probably in salaries, which, if fixed in sterling, will be paid I presume at the same rate as the other salaries on the Civil List of the Province.

It is true that by the resignation of the present Lieutenant Governor, the amount charged on the Civil List will be reduced £500 sterling, and it is expected that future reductions will be made as vacancies occur in other offices, but I beg with great deference to submit for Your Lordship's consideration, whether it is not advisable to retain at His Majesty's disposal any funds that may arise from that source, as the only means in the Province that will be left to His Majesty for affording any relief or assistance to such old and meritorious, but superannuated, servants of that Colony, as may hereafter (without such aid) from accident or other causes, be left in the decline of life destitute, although their long and faithful services might give them strong claims to the consideration of Government.

The funds now about to be surrendered up to the Provincial Legislature by His Majesty are as follow:—

Amount deposited in the Provincial Banks at three and a half per cent. interest, payable at any time on six months notice,	£29,000
Do. or loan to the Saint John Bridge Company, at six per cent. interest, payable 1st January, 1838, if required,	6,000
Amount already paid by the Land Company, in part of their purchase with the accumulation of interest, about	66,000
Amount of unpaid instalments on other lands sold in the Province, part of which are now due and the remainder will become due on the 31st December, 1837	44,795
Do. of do. on do. which will become due 31st December, 1838,	25,429
Total,	£171,224

Besides the balance due on the purchase of the Land Company, the amount of which I have have no correct information; but the above amount alone Your Lordship will perceive is sufficient in itself to pay a Grant of £15,295 for ten years, leaving an overplus of £18,274 besides the annual Revenues accruing in the meantime. I cannot therefore suppose that, after His Majesty's Government has so liberally consented to surrender up the whole of these large funds, the House of Assembly will, on a review of the question, object to the granting in lieu thereof such a liberal provision as will enable His Majesty, after payment of the Civil List, to meet any contingent emergency that may hereafter arise.

Secondly. The Despatches from the Lieutenant Governor before alluded to, have already pointed out to Your Lordship that no provision has been made in any part of the arrangements for securing an adherence by the Colonial Legislature to the mode of appropriating the Revenues of the Province, stated by Your Lordship in your Despatch