

Message from His Excellency on Public Improvements.

There will remain, after effecting this conversion, a surplus of from £250,000 to £300,000 still further to be raised under the Imperial guarantee at a low rate of interest, by which an additional saving will be effected of about £6,000 a-year.

A very considerable amount of the Capital required might be raised, without any charge whatever for interest, by the assumption by the Province of the issue of Paper payable on demand, which is now enjoyed by private Banks or by individuals, without their being subjected to any charge whatever in return for the power thus accorded to them by the State. If that power were resumed to the fullest extent, a Capital representing a Revenue of not less than £35,000 a-year might be provided. But even under such an arrangement as would afford great advantages to the various Banks at present issuing paper, as a compensation for their being in future deprived of that power, a Revenue of not less than £15,000 or £20,000 might be safely relied on.

The Union of the two Provinces has now placed within the control of the Parliament, the regulation of the Customs Duties which under the separate Legislatures was attended with so much difficulty, and a wise and prudent re-adjustment of some of these Duties will render the Revenue far more productive than at present, and easily furnish, without any injury to the trade of the Country or any pressure on the people, what may be further required to provide for the remaining charge.

There is also one of the works to which, although great importance is justly attached to it, it will, in the opinion of the Governor General, be just, as well as possible, to affix a condition by which the annual charge above submitted for the whole may be diminished. The navigation of the *St. Lawrence* involves the expenditure of nearly one half of the whole sum calculated on. That work is undoubtedly highly desirable, but it scarcely justifies so great an expenditure at present, unless some diminution of the annual charge for interest upon the sum to be raised can be obtained. Nor is such a diminution to be unhopd for. Many Capitalists in England are interested in the promotion of this work, and especially in seeing the communication between Lake *St. Louis* and Lake *St. Francis* established on the *Southern* side of the River *St. Lawrence*. The Governor General has reason to expect, that assistance will be afforded upon this condition, and he would not therefore recommend that this undertaking should be sanctioned, unless, as a condition, the greater part of the Capital required for it can be raised at a low rate of interest, not much exceeding that which the Province would have to support for such part of its debt as will be guaranteed by *England*.

Entertaining these opinions, the Governor General has therefore directed measures to be submitted to the House of Assembly embodying them, which he recommends to their favorable consideration.

However large the expenditure may appear, to which the improvements recommended by the Board of Works will amount, the Governor General feels that it is his duty, looking to their vast importance, to submit them to the judgment of the Country, and a measure will therefore be presented to the House which comprises the whole of them.

If they are undertaken, it is no less the bounden duty of Parliament and of the Executive Government to take care that means sufficient for their completion are provided, and that the credit of the Province shall be sustained in any engagements which are rendered necessary for raising funds for that purpose. He has therefore directed that simultaneously with the proposal for the works themselves, measures should be submitted to the Assembly, for the conversion of the Debt, for the establishment of a Bank, and for the regulation of the Customs; and he desires to express his anxious wish to concur with the Assembly in whatever decision they may