
R E T U R N

To an Order of the House of Commons, dated 7th June, 1869; For a Statement shewing the amount for which the late Province of Canada became liable on account of the redemption of the Seigniorial Tenure; and of the amounts which Upper Canada and the Townships separately received as compensation.

By Command.

HECTOR L. LANGEVIN,

Secretary of State.

DEPARTMENT OF THE SECRETARY OF STATE,
Ottawa, 11th June, 1869.

By the Seigniorial Act of 1854, certain local revenues were set apart towards commutation of the Seigniorial Tenure. Their value was to be capitalized at 6 per cent. on the average receipts of the preceding five years, and the total expenditure was not to exceed by more than \$600,000, such capitalized value. A separate account was to be kept of the moneys arising from these revenues and of the expenses, allowing 6 per cent. interest both ways, to the intent that if the total expenditure exceeded the produce of the local revenues, a similar sum might be appropriated, and was thereby appropriated to some local purpose in Upper Canada. By the Seigniorial Act of 1855, the Receiver General was authorized to invest in Debentures to the extent of the fund above established. This was never done, but the intention of the Act was carried out by making a special fund of the capital of the local revenues and \$600,000, on which interest was allowed at 6 per cent. and the equivalent \$600,000 was added to the Upper Canada Building Fund, which had been created by 20 Vic. Cap. 8, and similar interest has been allowed upon it up to May, 1859.

The Seigniorial Act of 1859 changed the original arrangement. The Act of 1854 had made the Government responsible to the extent of the Fund for the capital to be ascertained as payable to the Seigniors. The Act of 1859 made it responsible for the interest at 6 per cent upon the whole capital so ascertained, and for any additional charge which thus fell on Consolidated Fund annually beyond what was covered by the Seigniorial Fund of 1854. Upper Canada and the Townships were to receive an indemnity of a similar sum carried to the credit of the Municipal Loan Fund.

If the total capital payable to Seigniors had been ascertained at the time of the passing of the Act of 1859, the method of carrying out its provisions would have been to have deducted the capital remaining of the Fund of 1854 at that date from the ascertained capital of the compensation, and 6 per cent upon the balance would have been the Upper Canada indemnity, and a proportion of this sum to the Townships according to their population. But the capital of the compensation was not determined for several years afterwards, and the expenses of the Commission for investigating this matter, which formed a charge against the Fund, were still running on, and moreover one of the revenues which formed the basis of this Fund (the *Droit de Quint*) was not itself ascertained.

Under these circumstances the method adopted was to take the Fund as it stood, May 4th, 1859, the day the Act was passed, and to charge it with all the expenditure of the commission since that date, and with the capital of the *arrière Fiefs* of Montreal, paid in 1862. The whole of these payments were discounted back to May 4th and the capital of the Fund as it would have stood at that date was thus ascertained.

Strictly speaking Upper Canada and the Townships were to have had credit annually for the interest charged against Consolidated Fund annually on the amount of capital by which the compensation exceeded the fund as it stood May 4th, 1859, and this annual interest.