

LETTER from *R. W. Hay*, Esq. to the Honourable *J. Stewart*, dated  
Downing-street, 23d January 1835.

Sir,

THE Vote to the Colony of Nova Scotia, which for five years ending on the 31st December 1830 had averaged £. 10,700 per annum, was reduced to £. 6,625 in 1831, and to £. 3,200 in 1832, when also the grant was only made for the first quarter of the year. These gradual reductions, and the eventual termination of the vote, were accomplished by transferring part of the former items on the grant to the North American Clergy Estimate; by abolishing others; and by placing the remainder, about £. 5,008 in amount, on the Crown Revenues arising within the Colony. These Revenues, however, produced no more than £. 3,500 per annum, and were already burthened with indispensable Charges amounting to £. 2,900, so that only £. 600 was available annually to meet the new Charges of £. 5,008, and a deficiency of £. 4,008 was to be apprehended in the yearly Receipts as compared with the Expenditure. Reductions were effected in 1833 to the amount of £. 1,250, but an annual deficiency of more than £. 3,100 must still have arisen if the funds at the disposal of the Crown should not become more productive. There was, however, a balance in hand (of which about £. 5,074 remained on the 1st January 1832), that postponed the date at which these deficiencies would accrue; and the Secretary of State seems to have hoped that in the interval the Crown Revenue would be considerably augmented by the enforcement of His Majesty's right to Quit Rents, and by an increase of Revenue arising from Coal Mines. So far as regards the Coal Mines, these anticipations were disappointed by an unexpected and unfavourable construction of the existing agreements on the subject with the lessees of the mines. The collection of Quit Rents was delayed by His Majesty's Government in order to give the Assembly an opportunity, which they were understood to desire, of commuting them, and of thus enabling the Crown to dispense with a charge which had always been extremely unpopular in the Province; but after protracting the negotiation for two years, the Assembly have recently brought it to a close, by agreeing to redeem the Quit Rents prospectively by an annual payment of £. 2,000, without making any allowance for the past. This grant of £. 2,000 is specifically directed to form part of the payment of the Lieutenant-Governor's salary.

The general result of these combined circumstances is, that with the aid of the local grant towards the Lieutenant-Governor's salary, the casual and territorial revenue will henceforward be equal to defray the charges on it, provided the remainder of the Lieutenant-Governor's salary (amounting to £. 1,500) be voted by Parliament; but that up to the 1st January 1835 there has accrued, and remains without any provision for it, an arrear of £. 4,318 due to the individuals usually paid from the Crown Revenues, which demand the Provincial Assembly has not enabled the Government to satisfy. I am therefore directed by the Earl of Aberdeen to request that you will bring the subject before the Lords Commissioners of the Treasury, with his Lordship's recommendation that Parliament should be applied to for the means of liquidating the just claims which have accumulated in consequence of the past insufficiency of the casual and territorial Revenue, and also for a grant of £. 1,500 towards the payment of the Lieutenant-Governor's salary. This latter sum is all which it would be requisite to ask prospectively in order to restore the financial affairs of Nova Scotia.

It is not without great reluctance that Lord Aberdeen finds himself compelled to advise an application for assistance to this ancient and flourishing Colony, but his Lordship regrets to state that he cannot see any other mode at present of obtaining provision for the indispensable exigencies of its Government.

I am, Sir, your very obedient Servant,

*R. W. Hay.*

#### COPY of TREASURY MINUTE of 24th March 1835.

MY LORDS have again before them Mr. Hay's Letters of 11th September and of 19th January last, with the Address to His Majesty from the House of Assembly at Nova Scotia, and the several Reports and Documents relating to the Establishment for succouring persons shipwrecked on Sable Island, and read a Minute of this Board, of 21st April 1826, sanctioning, in concurrence with the Secretary of State, an application to Parliament for a Grant of £. 400 towards the support of this Establishment, to be continued annually so long as the Legislature of Nova Scotia should appropriate a similar annual amount for the same purpose.

Write to Mr. Hay, requesting he will state to the Earl of Aberdeen that My Lords are satisfied, from the perusal of the documents submitted to them, of the great utility of the Establishment for the succour of people thrown on Sable Island by the shipwrecks continually occurring on the dangerous reefs and banks by which it is surrounded; and of the urgent necessity, on obvious considerations of humanity, for the maintenance of that Establishment in an efficient state.

My Lords observe, that the Assembly of Nova Scotia have appropriated an annual sum of £. 400 to this purpose since the first formation of the Establishment in the year 1803. My Lords also observe, that since the discontinuance, in the year 1832, of the Parliamentary Grant to a similar amount, for which application had been annually made under the sanction of a Minute of the Board of 21st April 1826, the Land Revenues of the Crown