

II.

North American
Colonies.

CANADA.

I have now to express to your Grace my great regret that a careful examination of that correspondence has confirmed the doubt I entertained upon the subject, and that I do not find that there is any available provision from that source for the proposed bishopric. The reasons on which I form this opinion are as follows:—

In 1832, a promise was made to Parliament by Her Majesty's then Government, that the estimate for the clergy in British North America should in future be confined to making provision for the clergymen whose salaries were at that time paid from this source, and should be gradually diminished as vacancies should occur, no fresh names being thenceforward introduced into the list of those whose incomes for their lives would be thus provided for. At that period, the Bishop of Quebec (Dr. Stewart), received an allowance from the British Treasury of 3,000*l.* per annum. In consequence of his age and infirmities, the Bishop was for some years prior to his death permitted to have the assistance of a coadjutor in the discharge of his episcopal functions, to whom one-third of his official income was transferred; and in 1835, that coadjutor (Dr. Mountain), was invested with the episcopal authority of Bishop of Montreal, without any additional remuneration from public funds. The Bishop of Quebec died in 1836, and, in conformity with the arrangement I have already mentioned, the whole of his salary of 3,000*l.* per annum ought to have been omitted from succeeding Estimates. It happened, however, that at the time when her Majesty's Government announced their determination to discontinue the North American Clergy Estimate, the financial position of Lower Canada was very different from that in which it was when Dr. Mountain succeeded to the office of sole Protestant Bishop in that province, and Her Majesty's Government were almost without the means of providing for the salaries of the principal officers of the Executive Government. At that time also, her Majesty's Government were disappointed in their expectations of a satisfactory settlement of the Clergy Reserve question, and the sales of those reserves in Lower Canada, under the Act 7 & 8 Geo. 4, c. 62, produced a very limited income, scarcely sufficient to pay the stipends of certain ministers of the Church of England, for whom Earl Bathurst had in 1825 promised to provide. At the moment, therefore, when Dr. Mountain became subject to additional labour and responsibility, he was liable to a considerable loss of income. It was in consideration of these circumstances that the then Secretary of State for the Colonies felt it his duty to recommend to the Lords of the Treasury that, instead of the salary of 3,000*l.* formerly granted to the Bishop of Quebec, a reduced vote of 1,000*l.* per annum should, as was stated, "for the present," be proposed for the Bishop of Montreal. The Lords of the Treasury acquiesced in this proposal, on the understanding that the vote in question was to be considered temporary, and that, so soon as it should become practicable to provide a moderate remuneration for the Bishop from "Provincial Funds," the application to Parliament should be forthwith discontinued. An intimation as to the temporary nature of the Bishop's salary was communicated to your Grace's predecessor in a letter from this office, dated the 23d of June 1838, of which I have the honour to enclose a copy. The Governor of Canada was also made acquainted with the arrangement.

On reviewing the above circumstances, I have been constrained to come to the conclusion, that it is the duty of Her Majesty's Government, in order to redeem the pledge which has been given to Parliament, to require that the available funds from the Clergy Reserves shall be applied to provide for the present Bishop before a new see is created. It was considered in 1838, by the Government of that day, that without departing from the spirit of the engagement, on the faith of which Parliament had consented to allow the charge for the clergy in the North American Colonies to be for a time provided for from the British Treasury, the salary of the present Bishop might be placed on the Estimate, because there was no other source from which a strong pre-existing claim could be met; but this arrangement was only sanctioned on the express understanding that the Parliamentary Estimate should be relieved from the charge as soon as ever from any colonial funds the means could be found of otherwise providing for it. But it is obvious that this understanding would be departed from, and the assurance made to Parliament would be violated, if when a fund derived from the colony has become available for the payment of the salary of a Bishop in Canada, this should be applied, not to relieve the Parliamentary Estimate from the charge of the present Bishop, but to provide an income for an additional Bishop to be appointed to a newly created see.

I must farther observe, that independently of the necessity of adhering strictly to the engagement entered into with Parliament, it appears to me that if the present arrangements were sanctioned, and all that can be procured from the Clergy Reserve Fund annually appropriated to the new Bishop, there would be no fund available for the payment of Dr. Mountain's successor at his death, when the Parliamentary allowance must on any supposition cease.

His Grace the Archbishop
of Canterbury.

I have, &c.
(signed Grey.