AFFAIRS OF CANADA.

the favour of Divine Providence, for the promotion of their happiness, and the security of her

It is with great satisfaction I can inform you, that I have no grounds for apprehending a recurrence of those aggressions upon our frontier which we had lately to deplore, and which affixed an indelible disgrace on their authors.

If, however, unforeseen circumstances should again call for exertion, I know from the past, that in the zeal and loyalty of the people of Upper Canada, and in the protection of the parent state, we possess ample means of defence, and to those I should confidently appeal.

I earnestly hope that this state of tranquillity will prove favourable to the consideration of

the important matters, to which your attention must be called during the present session.

It will be my duty to bring under your consideration, at the earliest possible moment, the subject of the legislative re-union of this province with Lower Canada, recommended by Her. Majesty to the Imperial Parliament. I shall do so in the full confidence that you will see, in the measure which I shall have to submit, a fresh proof of the deep interest felt by The Queen, in the welfare of her subjects in Upper Canada; and that it will receive from you that calm and deliberate consideration which its importance demands.

The condition of the public departments in the province will require your best attention. In compliance with the address of the House of Assembly of last session, the Lieutenant-Governor appointed a commission, to investigate and report upon the manner in which the duties of those departments are performed. The Commissioners have already conducted their inquiries to an advanced stage; and the result of them will be communicated to you, as soon as they shall be completed.

I am happy to inform you that Her Majesty's Government have concluded an arrangement tor opening a communication by steam, between Great Britain and the British possessions in North America. In the completion of this arrangement, Her Majesty's Government have allowed no consideration to interfere with the paramount object, of conducing to the public advantage and convenience. I feel confident that the liberality with which the parent state has assumed the whole expense of the undertaking, will be duly appreciated by you.

The answers of Her Majesty to the various addresses, adopted by you during your last

session, and Her Majesty's decisions on the Bills passed by you, but reserved for the signification of Her Royal pleasure, will be made known to you without loss of time.

Gentlemen of the House of Assembly:

The financial condition of the province will claim your early and most attentive consideration. To preserve public credit; is at all times a sacred obligation; but in a country so essentially dependent upon it for the means of future improvement, it is a matter no less of policy than It is indispensable, then, that measures should be at once adopted, for enabling the provincial revenue to fulfil its obligations, and to defray the necessary expenses of the Government. It will be my anxious desire to co-operate with you in effecting this object; and I feel confident-that, by the adoption of measures calculated to promote the full development of the resources of this fine country, the difficulty may be overcome. The officer by whom, under your authority, these obligations have been contracted, will be able to afford you every information; and I shall direct a statement of your financial condition to be immediately submitted to you.

The estimates for the ensuing year will be prepared with every regard to economy, compatible with the due execution of the service of the province.

It is with great satisfaction I find, that notwithstanding commercial difficulties which prevailin the neighbouring states, the banks of this province have resumed specie payments; and I congratulate you upon the guarantee thus afforded of the greater security and stability of our pecuniary transactions—a circumstance which cannot fail to be attended with the most beneficial results.

I am commanded again to submit to you the surrender of the casual and territorial revenues of the Crown, in exchange for a civil list; and I shall take an early opportunity of explaining the grounds on which Her Majesty's Government felt precluded from assenting to the settlement which you lately proposed. They are of a nature which lead me to anticipate your ready assent to their removal, and to the final settlement of the question.

Honourable Gentlemen, and Gentlemen:

In assuming the administration of the Government of these provinces, at the present time, I have not disguised from myself the arduous task which I have undertaken. The affairs of the Canadas have, for some years back, occupied much of the attention of the Imperial Par-liament, and of the Government; and their settlement upon a firm and comprehensive basis, admits of no further delay.

To effect that settlement, upon terms satisfactory to the people of these provinces, and affording security for their continued connection with the British Empire, will be my endeavour; and I confidently appeal to your wisdom, and to the loyalty and good sense of the people of this province, to co-operate with me for the preparation and adoption of such measures as may, under Divine Providence, restore to this country peace, concord, and prosperity.

Toronto, 3rd December, 1839.

The Rt. Hon. C. I Thomson to Ld. Job

Dec. 7, 1839.

Enclosure No. 1.