To the Honowable the Commons House of Assembly, in Provincial Parliament assembled:

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The Committee to whom was referred that part of His Excellency's opening Speech which related to the Clergy Reserves, beg leace to make the following

REPORT:

That deeply impressed with the importance of the subject, and anxious, if possible, to suggest some measure which might be acceptable to the community, keep in view the spirit of the object for which the Reserves were set apart, and avoid the excitement of any feelings on this most difficult topic—Your Committee determined to commence and prosecute their labors with calm and impartial feelings.

Their first object was to fix on some leading principles as the basis of the plan they might recommend to your Honorable House, the adoption of which would tend to reduce the question to one of mere detail, and the following subjects were carefully considered.

First—The propriety of carrying into full operation the system commenced under the authority of the Imperial Parliament, viz. selling all the Clergy Reserves.

Second—The Funds in which the proceeds of all sales should be invested.

Third—The purposes to which the sums so raised should be devoted, and whether the principal monies, or the annual interest only, should be appropriated.

Fourth-The mode by which such appropriation should be carried into effect.

Your Committee, on the first of these points, came to a determination to recommend to Your Honorable House that all the Clergy Reserves should be sold—among other arguments which weighed with your Committee in arriving at this conclusion, it may suffice to mention that there appeared no other certain mode of obtaining an immediate income to any considerable amount from these lands.

In considering the next question, your Committee, while they would advise the investment of the proceeds of all sales of the Reserves in Provincial Funds, feel it their duty strongly to press on your Honorable House that the interest should be so safely secured that hereafter no difficulty may be experienced in its collection. At the same time it was their desire that the proceeds should be loaned to the Province so as to be of immediate service for its internal improvement—and with a view of combining these two objects, your Committee have resolved to recommend to your Honorable House that the monies accruing from such sales shall be immediately invested in Provincial Debentures bearing an interest of six per cent per annun, and shall (if only the interest be appropriated) be expended in making and improving the public highways throughout the Province—the interest to be secured by Tolls on such roads by a tax on the Districts wherein the money shall be laid out—and by any other mode which your Honorable House shall see fit to adopt.

The third and most important subject of <u>deliberation</u> with your Committee was, to what purposes the proceeds of these sales should be applied, and whether the appropriation should be confined to the interest, or extend also to the principal money.

Your Committee have felt themselves bound by every consideration of the future welfare of this Province to urge on your Honorable House that the proceeds of these Lands should be exclusively appropriated to Religious purposes; and they have selected three objects to which they think the expenditure may be properly made applicable :

First—The maintenance of Public Worship.

Second—The erection of Churches and Chapels.