

Appendix, No. 2.

EXTRACT from a Return to an Address of the Legislative Assembly of the
22d September 1842.

EXTRACT from a DESPATCH from the Right Honourable *C. P. Thomson*, late Governor-General of Canada, to Lord John Russell, dated Government House, Montreal, 26th May 1840, in as far as the same relates to the transmission of an Address from the Legislature of the late Province of Upper Canada, praying for the introduction of Canadian Corn into Great Britain, free from duty, and to empower the Legislature of this Province to originate measures relating to the Colonial Trade generally.

"THE House of Assembly have transmitted another address, praying for the introduction of Canada corn into Great Britain, free of duty, and they further pray that the Local Legislature may be empowered hereafter to alter the trade regulations of the colony, in those cases in which they may be affected by the Imperial laws relating to colonial trade generally, subject however to the restriction that such laws shall not receive the assent of the Crown until they have been laid before both Houses of Parliament, and shall have been suffered to pass without address from either.

"Upon the first of these objects, it is needless for me to offer any remark. The question can only properly be considered with reference to the whole subject of the Corn Laws, and I certainly do not think that, looking to the average price of corn in ordinary years in Great Britain, the colonies have any right to complain of the footing on which they now stand.

"The second point is an extremely important one. I am undoubtedly of opinion that the regulation of the principles on which colonial trade is to be conducted ought to be reserved entirely to the Imperial Parliament. The power of regulating it is one of the principal advantages resulting from colonial possessions, and, if justly exercised, affords one of the main compensations for the expenditure which the mother country is compelled to incur for the defence and protection of the colony. But whilst I admit this, to its fullest extent, I have at the same time been obliged to observe the great inconvenience, and even loss, which results to the colony from the necessity which now exists for all changes in this respect originating in England. There are a vast number of small points seriously affecting the interests of colonial trade, and not at all disturbing the general principle or objects sought to be established by Imperial Legislation, in which a change is frequently found to be desirable. Great difficulty exists, in the first place, in explaining these points at home, and, next, in proving that they are of sufficient importance to demand legislation there; but even if this be done, I know myself, from experience in that department, too much difficulty and delay unavoidably arise in carrying such measures through Parliament. I am therefore very much disposed in favour of the middle course now suggested by the Assembly. If the Local Legislature be permitted to originate measures of this description, I entertain no doubt that they would be able to introduce many improvements very beneficial to the trade of the colony, and not at all injurious to Imperial interests. These, when sent home, could receive the assent of the Crown and Parliament, whilst, if they meddled improperly with matters affecting the general interests of trade, their work would be without effect, and be open to immediate rejection. If your Lordship shall concur in this view of the case, and shall be inclined to grant this extension of power to the colony, subject to the restriction I have stated, it would be better perhaps to pass an Act specially for the purpose than to incorporate it in the Union Bill."

EXTRACT from a DESPATCH from the Right honourable Lord *John Russell*, of the 1st July 1840 (No. 171), to the late Governor-General of Canada, in as far as the same relates to the transmission of an Address from the Legislature of the late Province of Upper Canada, praying for the introduction of Canadian Corn into Great Britain, free from Duty.

"WITH regard to the address on the subject of the introduction of Canada corn into Great Britain, and regarding the proposal to invest the Provincial Legislature with the power of regulating, under certain restrictions, the trade of the empire at large, so far as it affects Canada, I have, in obedience to Her Majesty's commands, communicated that address, with your remarks upon it, to the Lords of Committee of Privy Council for Trade, for their Lordships' consideration."

(No. 267.)

My Lord,

Downing-street, 1 December 1840.

I ENCLOSE the copy of a letter which I have received in which a suggestion is offered with respect to the admission into this country, free of duty, of Canada wheat, flour, and other agricultural produce; and I request that you will give this subject your consideration.

I have, &c.

The Right honourable Lord Sydenham.

(signed) *J. Russell.*

(No. 320.)