

" Opposite to Fort Erie, immediately on the lake, is the town of Buffalo, the head quarters  
 " of the robbers and pirates who have so long infested this country. Its extent and appearance  
 " are surprising; the size and respectability of the buildings, and the number of masts which  
 " I could discern in the harbour, prove the value of the commerce, and the wisdom of the  
 " arrangements which have thus created, in about ten years, a city in the midst of the wilder-  
 " nesss.

" This prosperity is owing to the Erie Canal, which commences at Buffalo, and thus  
 " makes it the depot of all the trade of the west, flowing to New York.

" All these advantages might be ours, by the judicious application of not a large expen-  
 " diture. The Welland Canal, which commences at the Grand River, in Lake Erie, and  
 " strikes the Lake Ontario, a few miles west of Fort George, has great advantages over the  
 " Erie Canal; it is open three weeks earlier in the spring, and connects the two Lakes by a  
 " short passage.

" If this canal was completed, and the Saint Lawrence Canal, the water communication  
 " by the lakes, the Rideau Canal, and the Saint Lawrence, to the sea, by Montreal and Que-  
 " bec, would be complete, and all that immense trade which now flows from the west, by  
 " Buffalo and Lockport, and the grand canals to New York, would pass through our provin-  
 " ces, and enrich all the towns and districts through which it was carried.

" This is not a speculation of mine, but it is an admitted fact, by the Americans them-  
 " selves; the knowledge of which leads the merchants of Buffalo to encourage these border  
 " inroads which disturb the peace of our provinces, and prevent our attention being directed  
 " to objects which involve their complete ruin.

" I enclose your Lordship an American paper, published at Oswego, in which you will  
 " find all these important considerations to which I have briefly adverted, treated at length.  
 " I quote it for the value and correctness of its commercial anticipations, setting aside all re-  
 " ference to the military speculations which it contains.

" I feel so strongly the importance of this subject, both as a means of restoring tranquillity  
 " to the Canadas, and of blessing the North American provinces with a degree of prosperity  
 " which has never yet been afforded them, that I feel it my duty to press it on the immediate  
 " attention of Her Majesty's Government.

" I would ask of them a grant of money to be issued on the same principles and securi-  
 " ties as those which regulate the assistance given to harbours, rail-roads, canals, and other  
 " public works in England. The interest of the money advanced could be satisfactorily en-  
 " sured, and I feel certain that the value of the tolls would very soon be so great that the  
 " principal would be speedily repaid. I believe, my Lord, I am not too sanguine, when I  
 " assert that such a step taken would at once put an end to all discontents and disturbances  
 " in the Canadas. The Americans would see that their chances of acquiring these provinces,  
 " by holding out the temptation of a prosperity which our supremacy does not afford the  
 " Canadians, were at an end, and would discontinue their intrigues on our frontiers, whilst the  
 " inhabitants of our North American colonies would find in the increase of trade and wealth,  
 " which must flow in, pursuits and occupations which would leave them neither the leisure nor  
 " the desire for political agitation, or traitorous conspiracies.

" On our part, we should, by the judicious application of this loan, spare all the immense  
 " expense of our army and fleet, and of the volunteers and militia.

" I again express my earnest conviction that the measure I recommend is, for the reasons  
 " which I have adduced above, founded on the best considerations of economy, tranquillity  
 " and security, for the present and future, and as such I humbly submit it to the decision of  
 " Her Majesty's Government."

When Lord Durham announced his having written this despatch, it was received through-  
 out the province with the highest possible satisfaction. He truly described it as a measure  
 above all others best calculated to remove dissensions, and to establish the prosperity of the  
 country. It would be impossible to overrate the grateful feelings which such an act of mu-  
 nificence on the part of the British government would excite among all classes; but it is most  
 singular that His Lordship should, when drawing up his final report, have overlooked the fact,  
 that if his scheme of importing goods, free of duty, by the way of New York, were adopted,  
 our magnificent canals would be rendered almost, if not entirely, useless, and the whole ad-  
 vantage arising from the transportation of our imports would be transferred to the boats and  
 canals of the state of New York.