

CORRESPONDENCE RESPECTING THE

	£.	s.	d.
The amount payable to Government under the engagement I have already stated to be	348,680	-	-
But of this amount there is to be expended in improvements, and the greater part, namely, 35,000 <i>l.</i> , has already been so expended, with the sanction and approval of the local Government	43,545	-	-
Receivable by Government	305,135	-	-
And of this sum there had been paid up to the 30 June last - £. 235,000			
To which is to be added the instalment due in December last, which will have been paid in Canada	10,000		
	245,000	-	-
Leaving now payable to Government - £.	60,135	-	-

Thus, my Lord, I have given a brief statement of the past and present situation of the Canada Company, with reference to their engagement with Government.

The state of affairs in Canada during the past two years has necessarily been greatly prejudicial to the interests of the Company; but the directors, hoping for an early change and renewal of encouragement for emigration to that colony, have been unwilling at an earlier period to urge upon Her Majesty's Government the peculiar hardship of the Company's situation with reference to the present state of the emigration to Canada; but, in justice to the colony and themselves, this step can no longer be delayed.

Your Lordship will perceive, that if emigration to Canada cease, one of the chief objects of the Company, namely, preparing for the reception of emigrants, must cease also. The engagement, however, to pay for lands continues, though if there be not emigration the Company will have little or no opportunity for selling or settling their lands. By the 30th clause of the first agreement with Lord Bathurst, it will be observed, that if the Company pay for lands without settling them, a heavy expense as settlement duty becomes payable, operating as a penalty upon the Company, besides the provincial tax on wild lands remaining in the Company's possession unsold, thus adding to the cost of unsaleable lands.

I have deemed it right to bring these facts prominently before your Lordship, before soliciting reference to the annexed statement, made up from the most authentic sources, showing the annual progress of emigration from this country to Canada, and also to the Eastern colonies, since 1829.

It will be observed that the emigration to Canada has almost ceased, while that to the Eastern colonies is rapidly increasing.

This change in the tide of emigration has probably, in some degree, been produced by the recent state of affairs in Canada; but it has been still more influenced and mainly promoted by the expenditure of the proceeds of the sale of Crown lands in the Eastern colonies, in payment of the expenses of emigrants proceeding to these colonies.

To this important subject I am requested by the directors of the Canada Company to solicit the attention of Her Majesty's Ministers.

Without claiming as an act of justice to the Province of Upper Canada, as well as to the Company, that the sum of 245,000 *l.* already paid by them to the Crown for the purchase of waste lands should be expended in promoting emigration to that Province, yet in regard to the sum of 60,000 *l.* above referred to as still due for lands purchased, or such a sum as has been paid by the Company for waste lands to the Crown since the principle has been adopted above referred to for