expenditure, which, from its nature, is incapable of being made the subject of a previous estimate with any reasonable certainty. It is, therefore, to be understood that the territorial revenue to be placed at the disposal of the House of Assembly is not the gross income, but the net receipt, after the necessary and reasonable deductions shall have been made for the expenses of management and collection. To obviate the jealousy which may be felt respecting the probable amount of this charge, your Lordship will pledge His Majesty's Government, not only to maintain the utmost practicable economy, and the most vigilant superintendence over all subordinate officers employed in this service, but also to lay before the Assembly, from year to year, an account, in the utmost respect and attention any suggestions which that House may think fit to offer, for the reduction of that charge, or for improving the system of land administration.

I will not pass over in silence a further objection which will probably be raised by the House of Assembly to the proposed arrangements respecting the manage-ment of the wild lands. I anticipate the revival of the complaints which have already been made respecting the establishment of the British North American Land Company, and the remark, that by creating institutions of that nature, His Majesty's Government do virtually transfer to private and irresponsible persons that duty which is claimed for the Crown as incident to the Royal prerogative. Without pausing to repel this remark so far as I think it really susceptible of an answer, it is more satisfactory to say that your Lordship has distinct authority to pledge His Majesty not to incorporate any body of persons in future, for the purchase and settlement of wild lands in Lower Canada, until the intention shall have been communicated to the Legislative Council and Assembly, and ample opportunity shall have been given to those bodies to urge any objections which they may entertuin to the grant of such a charter. The existing charter rests upon a legal, and therefore an unassailable foundation. It creates vested rights, which it is the indispensable duty of His Majesty's Ministers to respect and to maintain. Although, therefore, the company itself cannot be dissolved, and their territory cannot be taken from them, your Lordship will distinctly understand, and will communicate to the House of Assembly, that the proceeds of the payments to be made by the company to the Crown, will constitute a part of that territorial revenue which it is proposed ultimately to surrender to their appropriation.

I will not yield myself to the apprehensions that the settlement which I have thus proposed of these pecuniary questions will be rejected by the House of Assembly. They are conceived in the spirit of conciliation and respect, and will, I trust, be welcomed in the same temper. It is necessary, however, to contemplate the opposite contingency. Your Lordship will, therefore, understand that you have not authority to recede from any of the fundamental principles which I have laid down for your guidance. If, without compromising them, the plan can be so modified as to render it more acceptable to the House of Assembly, I do not fetter your Lordship's discretion to adopt and sanction any such changes. But from the basis itself your Lordship will not depart, except with the direct previous sanction of His Majesty. It is not probable that the King would authorize you to recede in principle from the terms which I have thus proposed, except after a communication to both Houses of Parliament, and with their concurrence.

I am the less disposed to authorize any departure from the general principles thus laid down for your Lordship's guidance, because the application of them will necessarily extend beyond the limits of Lower Canada. The concessions which His Majesty makes on this occasion, though suggested by the representations which have reached the Throne from that Province, are not yielded with reluctance, or on the pressure of mere importunity, but from a mature conviction that the time has arrived when they may be made with advantage to the empire at large. The other British North American provinces will partake of the benefits of the arrangement. It is gratifying to His Majesty to anticipate in Upper Canada, in Nova Scotia, New Brunswick, and Prince Edward's Island, the probable wishes of the representatives of the people, and to transfer to the respective Houses of General Assembly; though unsolicited by them; a power which, His Majesty is assured, they will employ for the general welfare of their constituents. A measure thus comprehensive must, of course, be consistent with itself, and must rest upon the same basis in all the different provinces to which it will be extended.

The preceding instructions afford sufficient proof of His Majesty's anxious desire to make to the House of Assembly of Lower Canada every concession not at vari-231. A 3 ance