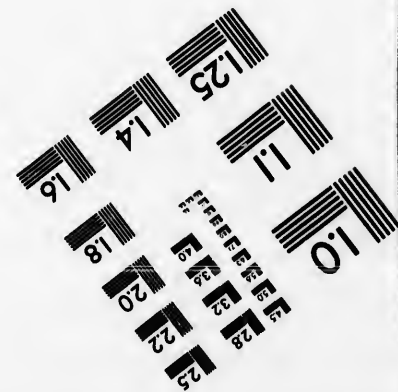
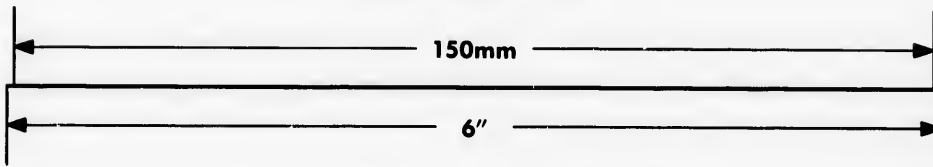
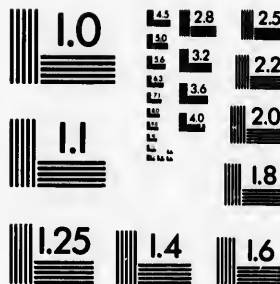
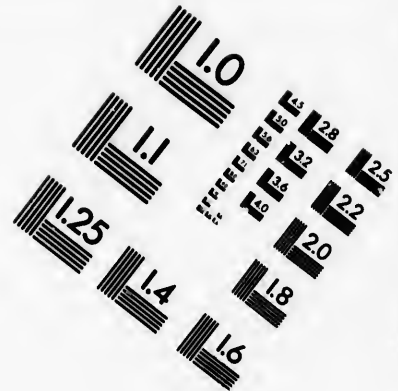
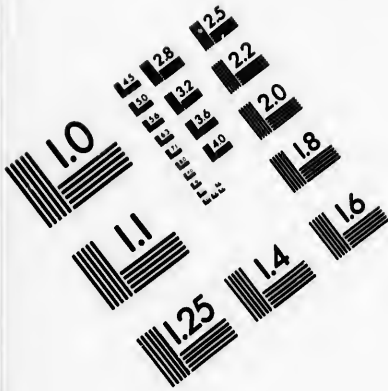


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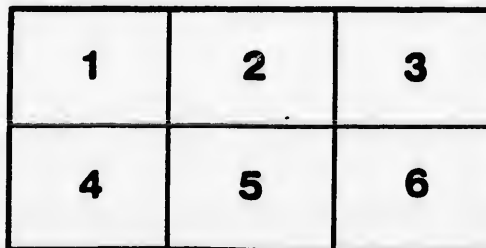
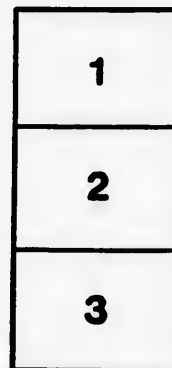
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CANADA COMPANY

IN ANSWER TO MR. SECRETARY JOSEPH'S LETTER OF THE 25th. JAN. 1838.

CANADA COMPANY'S OFFICE,
TORONTO, 1st. Feb'y, 1838.

Sir,

WE have the honor to acknowledge the receipt of your letter of the 29th. ult., enclosing an address from the House of Assembly, and informing us of the desire of His Excellency the Lieutenant Governor, that we should forward to your office, with as little delay as possible, so much of the information required in the address, as our office might enable us to afford.

The information required by the House of Assembly, is as follows:—

"A statement in detail of the several sums expended by the Canada Company, and brought to their credit in account with the Executive Government, in part payment for lands sold them in this province, for making roads, building bridges, wharves, piers, or any other erections, the name or names of the different contractor or contractors.

"The specific sum or sums paid for each contract, separately and apart from any thing connected with the private business of the company in charge of their agents.

"As also the name or names of the person who approved of such expenditure, on the part of the Executive Government of this Province, before the commencement of any work, and after the completion of the several contracts.

"A statement of the lands purchased by the Canada Company from Her Majesty's Government during the twelve years ending on the first January, 1838, according to the spirit, intention and meaning of the 30th Article of the agreement between Her Majesty's Government and the Canada Company.

"As also a statement of the names of all settlers placed upon any of the said Lands, during the years following the date of the said agreement, and a description of the lands upon which they were placed. As also a statement setting forth at length, any and all the returns which the said company may have made during the period first mentioned, according to the intention and meaning of the 30th clause aforesaid."

The Canada Company have no desire whatever to withhold any information in their power to afford which can be reasonably expected of them; but before attempting to furnish any part of that now required by the House of Assembly, we shall take the liberty of calling the attention of His Excellency the Lieutenant Governor to the various clauses of the several agreements between Her Majesty's Government and the Canada Company, bearing upon the question,—and of then stating what our interpretation may be of the obligations they impose upon the company.

We shall, afterwards, endeavour to shew that the Canada Company have, on their part, strictly fulfilled them, and if we go more fully into the detail of matters connected with the proper discharge of those obligations than strictly speaking could be required of any public body, we do so in compliance with the wishes of the House of Assembly, and under protest against the act being considered as a precedent for similar demands hereafter.

The original agreement between the Canada Company and Her Majesty's Government was for the purchase of a portion of the Crown and Clergy Reserves in this Province.

The former consisting of.....	1,384,413 Acres.
and the latter.....	829,430 do.

Forming a total of.....2,213,843

According to the report of the Commissioners appointed for that purpose by Her Majesty's Government, those lands were valued at three shillings and six pence an acre, at which rate the Clergy Reserves amounted to £145,150, 5s.

In consequence of the difficulties, however, which subsequently arose, regarding the disposal of the Clergy Reserves, they were withdrawn by Her Majesty's Government; and in lieu thereof, and for the same amount in the aggregate, a block of land in the London and Western Districts to the extent of about One Million acres was made over to the Canada Company, as will appear from the first clause of the second agreement between the Earl Bathurst and the Canada Company.

This block formed part of an extensive tract of land purchased by the Government from the Six Nations Indians, was unsurveyed and indeed unexplored, was a considerable distance from all

settlements without the advantage of roads, or even of contiguity to them, advantages which the Clergy Reserves possessed in an eminent degree.

In consequence of these circumstances the Canada Company were allowed one third of the purchase money, or £48,380, to be expended in public works and improvements within the Block, per clause 2 of the same agreement.

To obviate the possibility of misunderstanding as to what might be considered "Public works and improvements," it was stated in clause 3 that they would be understood to apply to Canals, Bridges, High Roads, Churches, Wharves, School Houses, and other works calculated for the common use and benefit of the inhabitants of the Tract.

Clause 4, of the same agreement is to the effect that the plan and estimate of any such undertaking as those referred to, shall originate with the company; but that the company must invariably submit them to the Governor in Council prior to his consent being given, that the expense thereof shall be received in part payment of the purchase of the land.

In clause 5, the company are required upon the completion of any such undertaking, to lay before the Governor in Council a statement of the cost incurred by them in effecting the same, and if the Governor in Council shall deem such work to have been duly executed according to the plan upon which the estimate was founded, and in such manner as was intended at the time that the plan and estimate given in by the Company was approved, that they shall then be allowed credit for the amount actually expended, provided it have not exceeded the estimate.—If however the expense should in any instance exceed such estimate, and the Governor in Council shall deem such excess to have been justified by special circumstances, the Company shall in that case also be allowed credit in account for the amount actually expended, provided such sums do not exceed in the whole one third of the said purchase money of the million acres.

The amount which the Canada Company have obtained credit with Her Majesty's Government for under these clauses to the present date is £27,493 12s. 10d., of which the following are the particulars:

Date when Estimate was submitted for approval of the Governor in Council, per clause 3rd.	DESCRIPTION OF WORK.	£	s.	d.	Date when the cost of the work having been submitted and approved, was ordered to be credited to the Co	COST OF THE WORK
1828	Opening a sloop road between the townships of Wilmot and Goderich, 64 miles,	1748	10	5	1830	
July,	Building 4 log bridges,	220	0	0	November 30,....	1868 10 5
1830	Opening a road from the Goderich line to the Township of London, 35 miles at £38 10..	1347	10	0		
February 3rd,	Making 2872 rods of crossway at 12s.....	1723	4	0	1833	
	Erecting 4 bridges,	145	1	0	November 23,....	3215 15 0
1835	Turnpiking the London road 8609 rods at 7s. 6d.,	3228	7	6	1836	
May 9,	Extra work on crossways,	39	14	0	May 5,	3268 1 6
1832	Opening the road from Wilmot thro' Goderich to Lake Huron, the full width, or 60 feet, being 64 miles, making the necessary crossways and log bridges,	10289	1	10		
November 3,	Turnpiking the road from Wilmot through Goderich to Lake Huron, 18,803 $\frac{20}{100}$ rods, ..	7409	15	3	1836	
	Opening the Bayfield line of road thro' the 1st and 2nd con. Goderich 13 $\frac{20}{100}$ miles,	227	8	0	1837	
	Making 873 $\frac{20}{100}$ rods of crossway,	441	16	4	April 13,	678 1 4
	Two bridges,	8	17	0		
	Opening 6 miles of road from Hicks' to the lake on the centre road through Goderich at £11 10,	69	0	0	1837	
	Making 383 rods of crossway at 10s.....	191	10	0	April 13,	260 10 0
	Opening 5 $\frac{1}{2}$ miles of road thro' the township of Tuckersmith or mill road at £30 10, ..	175	7	6		
	Laying and covering 101 perches at 10s....	50	10	0		
	" 120 at 12s. 6d.,	75	0	0	1837	
	Extra work on approach to bridge near the mill,	3	0	0	April 13,	303 17 6
	Amount expended towards the erection of an Episcopal Church at Godolph,				1830	
					July 16,	100 0 0
						£27,493 12 10

We have in this statement shewn that for the works on account, of which we claim credit in part payment of the purchase of the Huron Tract.

First—That according to the terms of clause 3, of the second agreement between Earl Bathurst and the Canada Company, we submitted plans and estimates of the works for approval by the Governor in Council.

Second—That when those works were completed we laid an account of the expense incurred before the Governor in Council, who deeming the works to have been executed according to the plan formerly submitted, and upon which the estimate was founded, the order was in the words of the clause before referred to, that the Company shall be allowed credit in account for the amount actually expended.

The only point we respectfully submit for the Governor in Council to decide upon, would appear to be,—*first*, the propriety of executing the work, as calculated to be of general benefit, *next*, that the work has been performed according to the plans and estimates submitted for their decision.

In proof of this they have the evidence of a responsible body, the Canada Company through their Commissioners, and under oath—and the facts being thus settled to their satisfaction, the order for crediting the Company with the amount expended followed as a matter of course.

The Canada Company propose to do certain works,—which are to cost a certain sum—the propriety of the one and the amount of the other being approved—the Canada Company undertake and complete them; and the Governor in Council being satisfied that the company have performed their engagement, the amount is passed to their credit, and thus the business is closed; the company being in point of fact the contractors, and employing others to perform the work for the same sum as they are themselves to receive.

We therefore most respectfully submit, that since we have here shewn that by a strict adherence to the terms of the Company's agreements with Her Majesty's Government and of the charter founded upon them, we have fully satisfied the Governor in Council that the amount for which we have claimed credit under the improvement clauses of the 2nd. agreement has been faithfully expended, and that it has in consequence been already placed to our credit;—whether the statements here given in gross, and containing all the information which can be required for any useful purpose will not on reconsideration by the House of Assembly be thought sufficiently satisfactory, without pressing for such minute detail as would cause us immense labour, in copying half the books of our office, containing accounts which have been long since closed and approved.

In reply to the enquiry as to the name or names of the person or persons that have examined and approved of such expenditure on the part of the Executive Government of this Province before the commencement of any work and after the completion of the several contracts.

We have the honor to state that such an examination was not required by the terms of any one of the various agreements with the company—and that the plan and estimate of the cost of the work to be performed. The official affidavits that the work was faithfully performed and that the account given in of its expense was a true and faithful one, having been fully laid before the Governor in Council, further evidence was neither deemed necessary nor required.

The expenditure of the Fund in question being a portion of the purchase money of the Huron Tract, is not referred to in the 30th Article, nor could it be, for at that time its sale to the Canada Company was not even contemplated. The clauses relating to that portion of the purchase from the Government, are confined to the 2nd. and 3rd agreements.

The portion of the 30th Article which requires the personal inspection referred to, has reference alone to the expenditure of the penalties for non performance of the settlements required on the Crown and Clergy Reserves, and a more rigid surveillance was we presume there deemed necessary by Her Majesty's Government than in the other, in as much as in the Huron Tract, the immediate interest of the Company was involved in the economical expenditure of a fund calculated to encrease the value of their own property, and which under the most economical management, could not cover one quarter of the amount of the expenditure necessary in order to effect the objects which the Company have in view for such works and improvements as are contemplated under clauses 2, 3, 4, and 5, of the second agreement.

The Canada Company could have no possible interest in deception.

The amount already passed to their credit, is as has been shewn :....£27,493 12 10

Various contracts are now in progress for works sanctioned by Her Majesty's Government in the Huron Tract on which the amount

already paid is :..... 2,500

And on which when completed a further amount will have to be paid of about 5,000

£34,993 12 10

The land Patented in the Huron Tract to the Company is only 770,584½ acres, leaving

still to be surveyed 329,415½ acres, which have yet to be opened by means of Roads, Bridges, &c. to settlement, for which, and other works, still required, even in the settled portion of the Huron, so soon as the present works are completed, and the amount passed the Governor in Council, only about 13,000 pounds will remain.

In other works the expense of which is not noted in these statements, we have expended upwards of £7,000, which, had the Company deemed the improvement fund adequate to meet as well as to make the required Roads, Bridges, &c. yet to be constructed, might have been made under the above mentioned clauses.

The Company are further required to furnish a statement of the Lands purchased by them from Her Majesty's Government during the twelve years ending the 1st day of January, 1838, according to the spirit, intention, and meaning of the 30th article.

This we shall most willingly furnish as soon as time will admit of our doing so.

In the meanwhile, as it may be satisfactory and as bearing upon the subject in some measure of the present enquiries, and as shewing the gross quantity of Land, *actually* under Patent to the Canada Company, I beg leave to annex a copy of a document recently addressed by the Commissioners of the Canada Company to a Committee of the Honorable the Legislative Council sitting upon a Bill lately sent up by the House of Assembly.

From this document it will also appear how very unfounded has been the assertion that the Canada Company avoid the payment of the Tax already imposed upon wild land by only taking out Patents to the extent of their sales of Land when the Tax falls upon the purchaser.

It is there shewn that the whole purchase made by the Company of Her Majesty's Government was 2,213,843 acres, of which are now under Patent to the Canada Company, unsold or unlocated Lands on which the Company are now paying the ordinary Taxes ^{Acres.} 711,505 already imposed upon Wild Lands. 692,282 located, and upon which the present occupiers pay those 'Taxes, 810,056 Remaining still vested in the Crown. 2,213,843

Or, it may be said, in round numbers that two-thirds of their contract term are now expired, during which period the Canada Company have taken out Patents for two-thirds of their purchase—that they have actually located one third of the whole purchase on which the Taxes are paid by the occupant—that they hold, unsold and unproductive to themselves, one-third, on which a large amount of Taxes has already been paid by the Company, and that the remaining third is applicable to the unexpired term of their contract.

We intended to have gone more fully into this and some other subjects here referred to, but since commencing this reply, we have received your further letter of the 30th ult., applying for a duplicate of a paper which we had the honor of addressing you last year, which contains all we could wish to have added.

We have the honor to be, Sir,

Your very obedient Servants,

WILLIAM ALLAN,

THOMAS MERCER JONES,

Commissioners of the Canada Company.

(See Documents annexed.)

CANADA COMPANY'S OFFICE,
TORONTO, 29th January, 1838.

GENTLEMEN,

Agreeably with your request of this morning, I beg to make the following remarks, which may be annexed to the Memoranda, that I had the honor of submitting for your consideration, on the 27th instant, relative to the Bill now before the Honorable the Legislative Council, for the Taxation of Lands, at *present* the property of the Crown, but which are to be *hereafter* in the fulfilment of the contract between them and Her Majesty's Government, to be Patented to the Canada Company.

Clause 21. of the first agreement made between the Earl Bathurst and the Canada Company, is as follows:

"During a period of fifteen years to commence and be computed from the 1st January, 1826, (subsequently extended to sixteen years commencing 1st July, 1826, per clause 9. of the second agreement, dated 23d May, 1826,) the Company shall, in each year, enter into

"enter into possession of so much of the Lands to be conveyed to them as, according to the valuation to be made by the Commissioners, shall be of the value of £20,000 Sterling," and this is the minimum which I have already taken the liberty of calling your attention to.

In proof that the Canada Company have, to the present period, fulfilled on their part the obligations conveyed under this clause, I beg to submit for your consideration the following statement:

Between the 20th June, 1827, and the 20th June, 1837, the Instalments paid by the Canada Company to Her Majesty's Government and for which they were entitled to Lands under the clause here quoted, amount to £216,666 13 5
Against this amount they now hold Patents from the Crown for

Crown Reserves. ACRES.	Huron Tract. ACRES.	Amount of consideration money.
462,381½	£30,916 15 3
42,338	7,409 3 0
.....	668,629½	97,051 11 11
Applications pending or in progress through the Departments of being Patented, for the quarter ending 20th March, 1837, 12,337 acres,.....		2,158 19 6
		<hr/> £187,536 9 8

Balance unappropriated on the 1st July, 1837, and applicable to the sales or locations made during the current year,..... 29,130 3 9

Against this are the following returns, to which the balance is applicable. — Settlements for the quarter ending 1837,

20th September, 5,005	875 17 6
20th December, 7,294	1,276 9 0
Surveys made in the County of Huron during the year 1837, 101,955,	14,798 15 4
	<hr/> 16,951 1 10

Balance brought forward at the credit of the Canada Company with Her Majesty's Government on the 20th Dec'r, 1837, and applicable to further settlements or Patents,..... 12,179 1 11

Amount of the half-yearly Instalment paid Her Majesty's Government this day, or 20th December, 1837,..... 11,111 2 3

Against this we have now applications for Patents before the Hon. the Executive Council, in addition to those already noticed in the foregoing statement, for Crown Reserves 16,667 acres, amounting to 23,290 4 2

Balance applicable to sales or settlements during the present half-year, or until June, 1838,..... 18,173 4 6

Shewing a Total of Payments to Her Majesty's Government by the Canada Company between the 20th June, 1827, and the 20th December, 1837, of..... 5,116 19 8

£227,777 15 8

And of Lands either actually under Patent or applied for, of

Crown Reserves	633,202½
Huron Tract	770,584½

Being a Total of 1,403,787

The consideration money for which is..... £222,660 16 0

Should you think any further information desirable with a view to rendering this subject clearer, or more satisfactory, and which may be in their power to afford, it will give the Commissioners of the Canada Company much pleasure to supply it.

I have the honor to be,

Gentlemen,

Your very obedient Servant,

THOMAS MERCER JONES,

Commissioner.

The Hon. JOHN MACAULAY, &
WILLIAM MORRIS.

By the first agreement with Her Majesty's Government the whole of the Crown and half of the Clergy Reserves were to have been sold to the Canada Company, consisting, the former of 1,384,413 acres, the latter of 829,430 "

2,213,843 at 3s. 6d. per acre.

The Company were to be allowed sixteen years from the 1st July, 1826, for the fulfilment of their contract with the Government.

The Purchase Money was to have been paid by Instalments as follows:

For the year ending July, 1827,	£20,000
Do. do. 1828,	15,000
Do. do. 1829,	15,000
Do. do. 1830,	15,000
Do. do. 1831,	16,000
Do. do. 1832,	17,000
Do. do. 1833,	18,000
Do. do. 1834,	19,000
Do. do. 1835,	20,000

and in each of the seven succeeding years the like sum of £20,000.

Clause 11. of the arrangements between the Company and Her Majesty's Government sets forth that the contract is to terminate on the 1st July, 1842; when the Company must take up the remaining lands, or abandon them.

In consequence of the difficulty which arose afterwards, relative to the disposal of the Clergy Reserves, they were withdrawn by the Government, and in lieu of them, and for the same amount of consideration money, Her Majesty's Government substituted to the Canada Company the Huron Tract of about one million of acres, per clause No. 1. of arrangements, dated "Downing Street, 26th May, 1826."

In clause 7. of the same agreement, it is stated that all the provisions contained in the various agreements for the security and benefit of the public, shall be applied to, and affect the lands substituted for the Clergy Reserves.

Contemplating the sale of the Clergy Reserves to the Canada Company, Clause 24. sets forth that the Canada Company should each quarter of a year take possession of the Lands granted to them on the principle of one lot of the Clergy Reserves, for every two lots upon which they might enter of the Crown Reserves so long as a sufficient quantity of each description remained untouched.

Subject to those conditions, it is stated in clause 25. that the Company have the right of deciding which of the Lands included in the proposed Grants to them, shall be occupied by them, their agents, Grantees, or Lessees at any particular time, and that Her Majesty's Government will not controul the power of the Company to select such districts or townships, as to them may at any particular period appear best adapted for effecting settlements.

From the foregoing premises my deduction is that the Lands in the Huron Tract and Crown Reserves, until patented to the Canada Company, are the property of the Crown, with a reservation in favor of the Company that they shall have preemption of purchase on certain defined principles or conditions, which conditions being fulfilled on their part, Her Majesty is bound to give a Title in free and common socage for the same to the Canada Company.

That the Canada Company are unrestricted as to which description of Lands they shall take up annually a certain minimum being fixed, but above that minimum, they are only limited in quantity by the extent of their contract and the amount at their credit with the Receiver General.

So soon as those Lands are patented they become private property, and as such, of course liable to taxation, and under such circumstances the Canada Company have paid taxes to a considerable amount, but until they are patented they are Crown property, and if the Legislature now impose a tax upon them, it will of course have to be paid out of the Colonial Revenue.

That the clauses imposing upon the Huron Tract all the obligations intended to have been applied to the Clergy Reserves, sets at rest the argument used by some, that altho' the House of Assembly have no power to tax the Reserves—the Huron Tract being a more positive purchase, and now the property of the Canada Company that they have over it.

The Huron Tract is not more private property than the scattered Crown Reserves and the right of taxation or injustice towards the Company would apply equally to each description.

From the foregoing, I infer that the imposition of any such tax as that contemplated by this Bill, would be a manifest breach of the contract entered into between the imperial Government and the Canada Company, and consequently if the Bill should become Law, the tax so imposed would have to be paid out of the instalments which are half yearly paid to Her Majesty's Government by the Canada Company.

[COPY.]

LETTER FROM COMMISSIONERS OF CANADA COMPANY.

DUPLICATE.

CANADA COMPANY OFFICE,
TORONTO, 15th January, 1837.

Sir,

We have the honor of acknowledging the receipt of your letter of the 13th instant, enclosing an Address from the House of Assembly, requesting His Excellency to lay before them a statement, in detail, of the several sums of money expended by the Canada Company, and brought to their credit in account with the Executive Government, in part payment for Lands sold them, in this Province—for making Roads, building Bridges, Wharves, Piers, or any other erection—the names of the different contractors, the specific sums paid for such contract, separately, and, apart from any thing connected with the private business of the Company.

As also the name or names of the persons, that had examined, and approved of each expenditure, on the part of the Executive Government—before the commencement, and after the completion of the several works.

Also, a statement of the several sums placed to the credit of the said Company, on account of the surveying of Lands, naming the Lands and Townships surveyed, and the person or persons by whom the surveys had been performed.

And further, that His Excellency would be pleased to inform the House of Assembly whether the Canada Company had performed the conditions of the agreements made with the Government according to the terms of their Charter.

Your letter informs us it is the request of His Excellency that we should transmit you such information, at our early convenience, as should enable His Excellency to comply with the prayer of the House, and agreeably with such request we now beg leave to submit the following Report :

The points on which the required information is sought, are confined to the Huron Tract, principally, and are connected with those portions of the purchase money which the Canada Company were allowed to expend in improvements.

In lieu of the Clergy Reserves, agreed to be sold the Canada Company, in the first instance, for the sum of £145,150 5 0. The Government substituted to the Company a Block of Land in the London and Western Districts, called the "Huron Territory," and containing one million acres, unsurveyed, at a distance from all settlements, without either the advantage of roads or even contiguity to them—advantages which the Clergy Reserves possessed in a superior degree.

In consequence of these circumstances, the Company were allowed one-third of the purchase money agreed to be paid for this Tract of Land to be expended in public works.

This amounted to £48,383 8 4, as will be found per the first clause of the arrangements between His Majesty's Government and the Canada Company, dated Downing-Street, 23rd May, 1826.

The 2nd clause specifies the public works contemplated, being Canals, Bridges, High Roads, Churches, Wharves, and School Houses.

The 3rd clause—That although the plans and estimates of such works will originate with the Company, they must invariably be submitted by them to the Governor in Council, prior to his consent being given, that the expense of the undertaking, when completed, shall be placed to the credit of the Company.

The 5th clause requires the Company to lay before the Governor in Council a statement of the cost incurred by them, in carrying such undertakings into effect, and sets forth that if the Governor in Council should deem such works to have been duly executed, the Company shall be allowed credit in account for the amount actually expended.

The 8th clause sets forth that the Block of one million acres shall be surveyed at the expense of His Majesty's Government.

At the present period the Canada Company have completed the formation of about 100 miles of road, superior to any which are to be found in this Province, erected the necessary bridges, &c. at a cost of £26,274 10 0, for which they have submitted the required vouchers and received credit for the same with the Government. They have submitted the estimates of the expense of making about 38 miles more, amounting to £3,088 8 0, which were approved of, and the works are now nearly completed, when the proper vouchers will be laid before His Excellency in Council.

The following statement will shew the periods when those estimates were submitted, when they were approved of, and when the vouchers for the outlay were laid before the Government, in order that the amount so expended might be placed to the credit of the Company, and that the proper forms have all been regularly attended to.

In conformity with these clauses, the Canada Company submitted estimates of the following

works, and when completed, the necessary vouchers for the amount expended in carrying them into effect.

In the year 1828, for opening a sleigh-road from the Township of Wilmot to Goderich, which was approved, and on the 30th November, 1830, the various vouchers were submitted, and having been deemed satisfactory, the amount shewn to have been expended in the construction, or £1,968 10 5 was authorised to be placed to the credit of the Canada Company, per minutes of Council of 30th November, 1830.

On the 3rd February, 1830, the Estimate was submitted for opening a road from the Township of Goderich to that of London, thirty-five miles, which was sanctioned by a Minute of the Executive Council, on the 13th of the same month.

On the 22nd January, 1833, the necessary vouchers for the outlay were submitted and approved of by a Minute of Council on the 23rd November, 1833, and the amount ordered to be credited to the Company, or £3,215 15 0.

On the 21st October, 1834, we laid the estimate of the expense of the Turnpiking the said road before His Excellency in Council, which was approved on the 9th May, 1835, and on the 5th May, 1836, the required vouchers as to the expenditure were laid before the Government, and being approved of, the amount was ordered to be credited the Company, per Minute of Council of the same date, £3,268 1 6.

On the 3rd of March, 1832, the estimates for opening the road, 66 feet wide, making the necessary Bridges, &c. &c. from Wilmot to Goderich, was submitted and approved of by Minute of Council of the 12th April following.

On the 12th July, 1835, we submitted our intention of Turnpiking the said road, which was approved by a Minute of Council on 3rd October following;

And on the 5th and 16th of May, 1836, we laid before the Government the required documents proving the amount expended, and which being approved of, the same was ordered to be placed to the credit of the Company, per Minute in Council of the 26th of the same month, amounting to

£16,603 11 10
1,218 11 3

£17,822 3 1

On the 21st April, 1830, the appropriation of £100 towards defraying the expenses of the erection of a Church at Guelph, was submitted and approved. On the 5th May, 1836, the vouchers as to the expenditure were sent in, and on 16th July following, per Minute of Council, it was ordered that the amount should be credited the Company £100.

The total amount of expenditure here set forth in the Huron Tract, which has been incurred by the Canada Company, under the sanction of His Excellency the Lieut. Governor in Council, and for which the Company have received credit, is £26,374 10 0.

Estimates for the following works now in progress and nearly completed, have been submitted and approved.

On the 21st October, 1834, for opening a road from the Town of Stratford, in Easthope, to Zorra, 7½ miles, . . . £520 0 0
From the Bayfield Mills, in Tuckersmith, to Wilmot road, 1½ " . . . 134 13 9
to London road, 1½ " . . . 273 16 3

These works were approved under the same Minute of Council as the Turnpiking of the London road, viz. on 9th May, 1835.

On 12th January, 1836, for opening a road through the Township of Stanley, from the London road to the Lake shore, 8 miles, £488 8 0

Do. from Town of Goderich to the River Bayfield, between the 1st and 2nd concession of former Township, 14½ miles, 761 0 0

For opening a road through the Township of Goderich, between lots 25 & 26, from 11th to 1st concession, on Lake shore, 6 miles, 260 10 0

For the construction of a bridge over the Maitland, at Goderich, 400 0 0

On the 13th of August, 1836, were submitted the estimates for the erection of a bridge over the Bayfield, on the London road, between the Townships of Tuckersmith and Stanley, amounting to £250, which was approved by a Minute of Council on 13th of the following month.—Shewing a probable total of expenditure on works now in progress, under the sanction of the Government, of £3,088 8 0

And a grand total of expenditure 29,462 18 0

Leaving a balance applicable to further improvements of 18,920 10 4

In addition to the foregoing, the sanction of the Company has been given to the construction of 21½ miles of road not yet submitted to the government, but which will be done in the course of a week or two.

As the Canada Company were desirous of having the Land in the Huron Tract surveyed in a particular manner, which would occasionally be attended with a much greater expense than doing it in the ordinary way, a proposition was made to His Excellency the Lieut. Governor in Council, that the Canada Company should be permitted to make the surveys themselves, under the instructions and approbation of the Surveyor General, and that they should receive for the same £6 per 1000 acres: this proposal was acceded to per a Minute of Council in the month of Aug. 1828, and under it the Canada Company have been paid by the Government £4,104 7 7. being the expense of surveying 684,066 acres, at £6. per 1000 acres, viz:

On the 31st December, 1830,	117,466 acres	£704 15 10
Do. 31st March, 1831,	120,706 "	724 4 8
Do. 31st March, 1833,	107,416 "	644 9 9
Do. 30th Sept., 1835,	139,626 "	837 15 1
Do. do., 1835,	141,550 "	849 6 0
Do. 31st May, 1830,	57,302 "	343 16 3

The expense of these surveys having to be repaid in cash, form no portion whatever of the present credit of the Company with Government.

The particulars of these surveys can be furnished from the Office of the Surveyor General, being the whole of the surveyed land, at that period, in the County of Huron and in the Township of Bosanquet.

It is hardly to be expected that the Canada Company should be called upon to prove that they have fulfilled every point of their engagements, but if it were required, they are fully prepared to do so; and as regards the expenditure on account of the Improvement Fund, we trust that it will be allowed, after what has been stated, that we have acted throughout in perfect accordance, with the various clauses in our agreement on the subject.

The only two points now remaining to be proved as to the proper fulfilment by the Company of all the engagements on their part with the Government, are the annual payments under their contract amounting, in the aggregate, at the present period, to £205,555 11 2, for which we are ready to produce, if required, the vouchers from the Receiver General—and the settlements effected on lands annually taken up or paid for under the 30th clause of Minutes of the intended arrangements between Earl Bathurst and the Canada Company, viz:

"The Company will, in each year, during the before-mentioned period of fifteen years, place one-half at least of the lands which, during those years may have been occupied and purchased by them, in the possession of settlers, either as Grantees or as Lessees under them, in the proportion of one head of a family for every 200 acres of such lands."

That the Company have fulfilled this part of their undertaking will appear from the following statement:

Lands located up to December 31st.	ACRES.	Average number of 200 acre Lots.	Amount of Payments to Government.	One-half thereof.	Average number of 200 acre Lots.	Settlement effected, plus or minus the number required.
1829 —	90,796	= 454	£ 63,888 17 9	£ 31,944 8 10	= 912	— 458
1830 —	50,943	= 254½	£ 16,666 13 4	£ 8,333 6 8	= 238	x 16'
1831 —	98,672	= 493½	£ 18,888 17 9	£ 9,444 8 10	= 270	x 223½
1832 —	114,804	= 574	£ 19,444 8 11	£ 9,722 4 5	= 278	x 296
1833 —	83,918	= 419½	£ 20,555 11 1	£ 10,277 15 6	= 293	x 126½
1834 —	70,931	= 354½	£ 21,666 13 4	£ 10,833 6 8	= 309½	x 45
1835 —	58,751	= 293½	£ 22,222 4 6	£ 11,111 2 3	= 317	— 23½
1836 —	90,422	= 452½	£ 22,222 4 6	£ 11,111 2 3	= 317	x 135½

In the event of failure in placing one settler on every 200 acres contained in half the land taken up within the year by the Company from the Government, they were to forfeit to His Majesty \$25. for each such lot, to be expended by him in improving the land or water communications of one or more of the Townships in which the Company hold lands, or, if they preferred it, the Company might, at their option, expend within six calendar months after 31st December, in each year, \$35. in opening, constructing or improving public roads or bridges in some one or more of the different Townships in which the lands purchased by the Company were situated, and such forfeiture or settlement effected, should exonerate the Company from settlement duty on the remaining half of the lands taken up in each year; the latter alternative or the forfeiture of \$35. was accepted by the Company on 29th December, 1824.

As bearing upon the question of forfeiture for non-performance of settlement duty, we beg leave to remark, that the Act of the Imperial Parliament, Incorporating the Canada Company, was passed on the 27th June, 1825.

It was afterwards, owing to circumstances not necessary here to detail, found necessary by

the Government to withdraw the Clergy Reserves formerly agreed to be sold the Company, and to substitute, as has been before observed, the Block called the Huron Territory, of one million acres in their stead, and consequently a new arrangement had to be made with the Government, which appears to have been concluded on the 23rd May, 1826,—and the Charter of the Company to have been Registered in September following.

For the more successfully carrying on the objects of the Company further alterations were found necessary, and on the 28th March, 1828, a third agreement was entered into between the Government and the Company, at Downing-Street, and the Act of Parliament confirmatory thereof was passed on the 15th July following, or only in 1828, amending the Act of the previous year.

Pending these various negotiations, it was neither possible nor was it to be expected, since so many of their own plans would necessarily have to be governed by the result of those proposed measures, that they could effectually fulfil in the Province to the very letter all the engagements in regard to settlements required of them, since no regular system of management could be adopted till such negotiations should be terminated, but it so happened that the discrepancy, if it can be so called, was against the Company and in favour of the Government.

The annual payments to His Majesty's Government by the Canada Company bear date from 1st July, 1826.

On the 31st December, 1829, their payments appear to have been, in currency, £63,888 17 9, one-half of which is £31,944 8 10, equal to the purchase of 912 lots of 200 acres each, being the number of lots on which the Company were required to place one settler or head of a family for that period.

The actual sales of the Company at this time are shewn to have been 90,796 acres, equal to 454, 200 acre lots, shewing a deficiency of 453 settlements, which, at the rate of forfeiture agreed upon, would amount to £3,778 10., whilst during this period, in preparing the Township of Guelph for settlement, the Company had expended, in various public improvements, upwards of £13,500., being a surplus of nearly £10,000. applicable if necessary to the forfeiture for non-performance of settlement duty.

Since that time the expenditure of the Company in various public works, such as roads and bridges in the same Township has been about £2,000., and on various other roads in the Province, *exclusive* of the Huron Tract, they have expended as large a sum in addition.

No notice however seems to have been taken of these circumstances at the time, either by the Lieutenant Governor or the Company, the former naturally thinking that before requiring a rigid interpretation of the clause bearing upon the subject, the Company ought to be permitted to mature all their plans and systems of management, and the latter, calculating upon such liberality from the Government, at the same time that they knew well their expenditure applicable as an equivalent for such settlement duty, was much more than quadruple the amount of the liability involved, and consequently neither party deemed it necessary to moot the question.

It might also have been reasonably expected by the Company, that the point would have been conceded by the Government to the Canada Company, even had they incurred the penalty and that it would not have been enforced, in consideration that the year 1829, was nearly lost to them, inasmuch as negotiations were continued throughout nearly the whole of that year between the Government and the Company for a modification of their charter, and our successful operations, and more beneficial ones to the country may be considered as bearing date from 1830, when the Company at length determined to abide by their charter as it then stood, and to prosecute their original plans with vigour: how far they have been successful, and the extent of benefit they have conferred upon the country, the unprejudiced have freely and favorably decided upon, and the present House of Assembly is too intelligent a one, and too intimately acquainted with the interest of the country, and the valuable services the Canada Company have conferred upon it, not to willingly accord them that meed of praise which we respectfully contend they are justly entitled to, when all the facts of the case are laid fairly before them. With this view, we now take the liberty of adding a few brief observations on the exertions of the Canada Company since its establishment, in furtherance of the great object of their association.

In the year 1827, the Canada Company's Superintendent came out to this country to take charge of their affairs, but as many preparatory arrangements had then to be made, the Company can scarcely be considered to have been fairly embarked in their system of improvement, or to have sufficiently arranged their plans for turning the tide of emigration from the United States to Upper Canada until the spring of 1828.

To this period for the three preceding years, it is worthy of *particular attention*, as illustrative of the important services rendered by the Canada Company that immigration from Europe only averaged 13,096.

In 1830, by which time the exertions made by the Canada Company in diffusing throughout the United Kingdom, and indeed Europe, correct information in regard to this country, and its

capabilities began to have the effect anticipated, and to which all the energies of the Company's Superintendent in this country, and the Board of Directors at home were directed with unremitting attention. In this year, therefore, we find their labours crowned with complete success, for the immigration amounted to 24,392
In 1831, do. 49,250
And in 1832, it amounted to 51,422

In addition to the various measures taken, and so successfully too, for turning emigration from Europe to the Canadas, means were also taken by the Canada Company, for guarding, as far as possible, against the Emigrant on his arrival at Quebec being diverted from his original place of destination through the interested representations of individuals to the United States, by the Canada Company granting him, in the event of his proceeding to Upper Canada and taking up land from the Canada Company, a free passage from Quebec to the head of Lake Ontario for himself and family.

Immigration to this country reached its highest point in the year 1832; since that period it has fluctuated much, but the exertions of the Canada Company for promoting it have been unremitting. Various causes may be assigned for this falling off, local, political and accidental, but it is not our province now particularly to allude to them, as our only object is to show that the Canada Company are not the *mercenary land-jobbers* which their enemies have represented them to be, and the present prosperous state of this country and the turn immigration has taken to it within the last seven or eight years, is the consequence in a great measure of their exertions as well in this country as in England.

It has been frequently asserted that they have annually withdrawn large sums of money from this country, whilst the very reverse is positively the fact, as the proprietors well know, and as the various calls upon them fully prove.

In the improvement of the Huron Tract, and the various expenditure therein for bettering the condition of the present settlers, and for the inducement of the wavering or undetermined to settle there, by improved roads, modes of conveyance, erection of mills—roads unequalled in the Province to the extent of 100 miles, and as good as any to the extent of 100 more—a steamboat conveyance—advances to indigent settlers, many of whom, through such assistance from being altogether destitute without the means of subsistence, are now independent and possessing the power of assisting others in their turn.

For these objects the expenditure of the Canada Company has been little less than £60,000, and they now have works, either in progress or about to be undertaken, which will amount to £20,000. more.

Although the exertions of the Company have been directed to the improvement of the country generally, still they were more particularly turned to the settlement of Guelph, one of their largest Blocks of Land, and situated in the Gore District, and the Huron Tract, containing one million of acres, which, before the year 1827, had not even been explored, yet at the present time Guelph contains a population of eighteen hundred and forty-five—a thriving village with three handsome places of Worship, Artizans, Mechanics, Storekeepers, Mills, Distilleries, Breweries and all the usual evidences of prosperity. The Huron Tract contains 4,500 inhabitants, with Stores, Mills, &c. &c.

In Guelph, their expenditure was upon the same scale as in the Huron Tract, and thus have the Company adhered to the grand and philanthropic objects contemplated by them on their formation.

Great as has been the expenditure of the Canada Company in the Huron Tract, it would have been greater still had the Legislature granted the application they made two years ago for a charter *similar to the application* now before it, for the improvement of Goderich Harbour.

Hitherto the situation of this harbour has been a serious drawback in the settlement of that valuable portion of country, in consequence of a Bar formed at the mouth of the River Maitland, by the action of the North West wind, and to remove which a good Pier or Breakwater is all that is necessary, according to the opinions of eminent and experienced Engineers who have been consulted, not only in this country but also in England.

This improvement, calculated to be of so much importance to the country at large, as well as to their own immediate settlements, the Canada Company were willing to undertake, at their own risk, advancing the money, but as they did so they thought that it would be considered only reasonable by the Legislature that, as the Company supplied the necessary funds, they should be authorized to levy tolls on goods and shipping at such reasonable rates as should be deemed meet by the Government to support the incidental expenses of care and management, and eventually to pay a moderate interest on the outlay.

In support of the Company's application at that period, it was urged that, at that very moment (the autumn of 1834,) several fine vessels were lying wrecked high upon the sand on the Lake shore, which could, during the heavy gales of that period, have easily made Goderich, had the harbour been accessible.

The House of Assembly, however, on that occasion, no doubt from not having sufficient information on the subject laid before them, rejected the application, and in consequence the whole of the next season was entirely lost; and the steamboat which had been built at such a heavy expense to the Company, from the ice having melted so gradually during the spring as to have had little effect in removing any portion of the bar, was unable to cross it that year, and remained in harbour to the great injury of the settlement the entire season.

The mouth of the Maidland is capable of being made one of the finest harbours in this country, is the only natural one, if the term may be so applied to one, having a bar at its mouth, between Penetanguishine and the Rapids of the Saint Clair, a distance of about 300 miles—the importance of improving it and making it accessible to all vessels navigating those waters, needs no further comment or proof than that the number of valuable vessels wrecked, as before stated, in consequence of the state of the harbour amounted to nine.

The Company having been thus disappointed in obtaining a charter, still anxious that the improvement of the country should not be retarded through any want of exertion on their part, made application for a lease of the Water-Lots, on obtaining which, with authority to levy wharfage under reasonable restrictions, they were willing to undertake the improvements to a certain extent until such time as, by obtaining a charter, they might be encouraged in carrying all their plans of improvement into complete effect, (a privilege which it is respectfully urged by the Company was never before refused, when properly and respectfully applied for by places similarly situated with Goderich.)

This application was liberally granted by the Executive Government, and under the authority of this lease the Canada Company have already expended £3,000., and now contemplate a further outlay of £4,000.

Such is a brief statement of the more prominent benefits conferred on this country by the exertions and liberal expenditure of the Canada Company.

WILLIAM ALLAN,
THOMAS MERCER JONES,
Commissioners.

*Canada Company Office
at Toronto, 1. Sept. 1855.
All communications
of the Canada Co. in
reply to Mr. J. C. Wright
after receiving it from
the City of an account
from the House of Assembly
calling for certain
return from the Company*

