

Duke of Buckingham and Chandos will be glad to see you on Monday next, the 8th inst., at this Office, about 3 o'clock.

Yours faithfully,

H. J. BRYANT.

J. HENSLEY, Esquire.

I accordingly, on Monday, 8th July, went to the Colonial Office, and had the honor of being received by His Grace the Duke of Buckingham and Chandos.

The matter first alluded to was the Loan Bill, and my object was to obtain from His Grace an assurance that it would be submitted in Council to Her Majesty the Queen, with a recommendation that it should be left to its operation. This was necessary before I could attempt to negotiate the Loan. The nature of the Loan Bill and its object had already been brought to His Grace's notice by your Excellency's despatch, and by my own Official Report as Attorney General, dated the 4th June, 1867, a copy of which, marked (A), is herewith transmitted.

I then proceeded to submit to His Grace the views of the Government on the demand for payment of £4,979 11s. 2d. Sterling, for maintenance, &c., of Troops, which I contended should not be made, and which this Government should not be called upon to pay. I brought to His Grace's attention the various Despatches upon the subject which had passed between the Colonial Office and the Local Authorities of Prince Edward Island, with the view of satisfying His Grace that no agreement to pay for the maintenance of Troops had been made or settled, or was contemplated by this Government, as apparently assumed by the Despatch No. 8, of 4th March, 1866, from Earl Carnarvon, then Secretary of State for the Colonies, to your Excellency.

On the following day, 9th July, I addressed to His Grace, through his Secretary, H. J. Bryant, Esquire, the subjoined Letter on the same subject:—

40, BURLINGTON ROAD,

ST. STEPHEN'S SQUARE,

9th July, 1867.

SIR,

When I had the honor of an interview, yesterday, with His Grace the Duke of Buckingham and Chandos, I left with him a paper containing a hastily drawn and rather informal epitome of various Despatches which, during the last two years, have passed between Her Majesty's Principal Secretaries of State for the Colonial Department and the Administrator of the Government and the Lieutenant Governor of Prince Edward Island, on the subject of the Detachments of Troops stationed there, and particularly in relation to an application recently made on behalf of the War Department for the payment of £4,979 11s. 2d. Sterling, by the Island Government, for the maintenance of those Troops.

I should, perhaps, also have left the various printed Despatches and Minutes of Council, of which the epitome was drawn and to which it relates, and I therefore now enclose them. His Grace was good enough to say that the epitome should be returned to me when the consideration of the matter had been completed, and I shall be glad if you will, at the same time, cause the present enclosed printed papers to be in like manner returned.

My request to His Grace was that he would consent to reconsider the determination arrived at, and communicated in Despatch No. 8, of 4th March last, and recommend the Secretary of War not to demand from the Government of Prince Edward Island the payment of the sum above specified for maintenance of Troops, and I endeavored to bring to His Grace's notice the whole history of the unfortunate Land Question in the Colony, and what a constant source of trouble, expense, and discontent it had proved, and how much the advancement and prosperity of the Colony had been retarded by it. That it had, in a great measure, caused the troubles which led to the Troops being required there in 1865, and the claim which, on account of the Land Tenures, I thought the Colony had on the consideration of the Imperial Government, particularly in the matter of the present application. That the Island Government were by strenuous and bona fide efforts endeavoring to extinguish any cause for discontent by buying out the claims of Proprietors of Lands, and had of late been under heavy outlay for that purpose, having last year purchased 212,000 acres of Land, the Estate of the late Sir Samuel Leonard, at a cost of £53,000 Sterling, and were still continuing their efforts to acquire further lands. That I am now in England for the express purpose of endeavoring to raise money on the Public Credit for the purchase of such other Proprietary Estates as could be acquired. That the Island Government had expended (when viewed in relation to its Revenues) a large sum during the last two years for building Barracks and other Military and Militia purposes and expenses, as specified in the epitome, fully as much as its resources could afford, quite irrespective of the present demand.

That the Executive Government of Prince Edward Island in its Minute, dated 17th October, 1865, (now enclosed) while willingly submitting to pay the transport of Troops from Halifax, and all expenses incurred, whether for maintenance or otherwise, when they are sent into the Country Districts to assist the Sheriff and his Officers in maintaining the supremacy of the Law, (which latter obligation had been faithfully discharged) respectfully recommended, and I again, on behalf of the Government, respectfully recommended against the hardship of paying the expenses of the maintenance of the Troops while stationed in the Colony, that in their ordinary maintenance when in Barracks and not employed in assisting the Sheriff.

I believe that the Detachment of troops has, since the 20th June last, been withdrawn from Prince Edward Island, and, therefore, no such question as the present is likely again to arise.

You will, perhaps, be so good as to communicate the contents of this Letter to His Grace, and oblige,

Yours faithfully,

JOSEPH HENSLEY,

Attorney General of Prince Edward Island.

I subsequently called on several occasions at the Colonial Office, as requested by His Grace, and had interviews with Mr. Bryant; and on 6th August last, being very desirous of ascertaining the views of the Imperial Government on the application made by the respecting the demand for payment, to which I have just alluded, I addressed the following letter to His Grace, through his Secretary:—

40, BURLINGTON ROAD,

ST. STEPHEN'S SQUARE,

LONDON,

6th August, 1867.

SIR,

Will you please to inform His Grace the Duke of Buckingham and Chandos that I purpose leaving London, on my return to Prince Edward Island, on the 16th August, instant, and should His Grace please or deem it requisite I shall wait upon His Grace at the Colonial Office, at any time before 16th August which he may appoint.

I am not aware whether any decision has yet been arrived at respecting the demand made upon the local Government of Prince Edward Island for the payment of £4,979 11s. 2d. for maintenance of Troops, &c., re-

ferred to in my Letter of 9th July last; but if so, I trust it will be communicated to me before my return to America.

Yours faithfully,

JOSEPH HENSLEY,

Attorney General, Prince Edward Island.

H. J. BRYANT, Esquire, Secretary to His Grace, the Duke of Buckingham and Chandos.

On the 10th August I received a communication from Mr. Bryant, and again on 14th August the following letter:—

COLONIAL OFFICE,

14th August.

DEAR SIR,

The Duke of Buckingham and Chandos will be glad to see you here on Friday next at 4 o'clock.

Yours faithfully,

H. J. BRYANT.

J. HENSLEY, Esq., I accordingly called at the Colonial Office on Friday, 10th August, and had an interview with His Grace the Duke of Buckingham and Chandos, when His Grace informed me that the War Office, on his recommendation, had modified the demand made in respect of the maintenance of Troops, and that a Despatch to your Excellency notifying the same had been prepared, which His Grace was good enough to read to me. This Despatch having since been received by your Excellency, it is unnecessary for me now further to advert to it. His Grace made several enquiries on other matters connected with the Government and interests of this Island, of which I need not on the present occasion refer, as they did not relate to the objects of my mission.

I shall now proceed to detail to your Excellency the steps which I took after my arrival in England to ascertain from the various Proprietors of Lands resident there and in Scotland and Ireland, the terms upon which they would be willing to sell their Lands to the Government.

I addressed at once Letters to Colonel Cumberland, Lady Georgiana Fane, Viscount Melville, and Miss Sullivan, and through Colonel Cumberland to Lady Wood and Miss Fanning, stating that I was authorized, on behalf of the Government of Prince Edward Island, to ascertain whether they were willing to sell their Estates to the Government, and if so, upon what terms; that it was the desire of the Government, if possible, to purchase all large Estates belonging to non-resident Proprietors, and that I was anxious to have a personal interview, if possible, in order to explain the position of matters in the Island, and the views of the Government on the whole question.

I received from Colonel Cumberland a Letter under date 12th July, 1867, from Buxton, acknowledging receipt of my communication, and informing me that Lady Wood and Miss Fanning were then in Paris. Colonel Cumberland replied to that part of my Letter which related to the proposition to treat with him and Mrs. Cumberland for the purchase of their Estates as follows:—

With regard to the subject of your Letter, all I can say is that we are not disposed to part with our Estate on the Island except on terms which would yield us the same amount of income we at present derive from it. Indeed I do not see how it can reasonably be expected we should do so on any other, but if such were offered to us we should only be too happy to dispose of all our interest, &c.

After receiving this reply from Colonel Cumberland, I again wrote to him a Letter, of which a copy follows, dated 6th August, 1867:—

DEAR SIR, In your Letter to me dated 13th July last, you state that you are not disposed to part with your Estate in the Island except on terms which will yield the same amount of income as at present; but if such were offered to us we should be only too happy to dispose of all our interest, &c. Of course I am not informed as to the precise amount of that income, and, therefore, before I can state what the Government are prepared to give, I require to know:— 1st. The area of the Land held by you and Mrs. Cumberland? How much under Lease (for long or short terms) and how much Wilderness? 2nd. The gross annual Rental, and the probable arrears of Rent? 3rd. The sum or price asked for the whole, including arrears? 4th. As regards times and modes of payment, I beg leave to give the following instances of terms on which Proprietors have sold to the Government.

The Woburn Estate, situated at an area of 79,000 acres or thereabouts, cost 23,500l. currency, about 4s. sterling per acre, and was paid for in Debentures, bearing interest at five per cent. per annum, payable annually, and the principal sum payable in Ten years.

The Selkirk and Montgomery Estates, together, cost 17,366l. 5s. 9d. currency, paid one-half in cash and the other half in Debentures, payable in Ten years, with interest at five per cent. per annum.

The Cunard Estate, area 212,000 acres, cost 79,500l. currency, or 53,000l. sterling. The terms of purchase as follows:— 5,000l. sterling paid at the time of executing the Deeds of conveyance, and Debentures for the balance then delivered, payable as follows:— 7166l. 13s. 4d. sterling, payable on 1st January 1867. 7166l. 13s. 4d. do do 1st July, 1867. 7166l. 13s. 4d. do do 1st January, 1867, with interest in each case at the rate of six per cent. per annum from the date of the Deeds.

The balance of 26,500l. sterling, payable at the expiration of ten years from the date of the purchase, bearing interest at five per cent. per annum, payable annually and secured by the Government Debentures.

On receiving your reply, I shall at once, if necessary, communicate with the Government in the Island, and obtain their views with respect to it as soon as possible.

As I shall probably be leaving London finally on 16th instant, I shall be glad to hear from you on this subject so soon as you can conveniently reply to this Letter.

I am, dear Sir,

Very truly yours,

JOSEPH HENSLEY,

Attorney General of Prince Edward Island.

On 7th August, Colonel Cumberland, in acknowledgment of my last letter, wrote as follows:—

MONTGOMERY HOUSE,

BUXTON,

7th August, 1867.

DEAR SIR, In reply to your letter of yesterday's date, and in compliance with your request for an early acknowledgment of it, I have only to repeat what I have already stated, that if the Government of Prince Edward Island will consent to purchase the property belonging to Mrs. Cumberland and myself there, for a sum equivalent to the Rental we at present receive from it, we shall be quite ready to close with the offer; but until such is signified to us by the Government, or yourself as their accredited Agent, it will be unnecessary for you to be furnished with the particulars you specify.

When any of our Tenants are desirous of purchasing their farms, our Agent, Mr. Wright, has been instructed to sell them their Leaseholds for the sum equal to the Rent paid by them, &c., &c., &c.

Believe me very truly yours,

B. H. CUMBERLAND.

On 25th July, Lady Wood and Miss Fanning addressed a letter to me stating that they had been informed by Colonel Cumberland that I was desirous to communicate with them respecting the purchase of their property in Prince Edward Island, and that they would be happy to hear from me on the subject, and to be made acquainted with the time and mode of payment to those Proprietors who might feel disposed to part with their Estates in the Colony.

I wrote to Lady Wood and Miss Fanning at Bath, on 2nd August, giving them the information asked for, and specifying instances of the times and modes of payment adopted on the several occasions of purchase, in manner as referred to in my Letter to Colonel Cumberland, of 6th August; and I also offered to go to Bath to confer with them should they desire it.

which they themselves have been very desirous to obtain for some time past, and which it is quite necessary they should possess before they can decide upon the terms of which they would dispose of their property in the Colony. That they would urge upon their present Agent, Mr. Charles Wright, the necessity there was for their being furnished with the above information at his earliest convenience, having obtained it, they would immediately communicate with me and state the terms on which they would be disposed to treat with the Local Government for the sale of their Township Lands.

On 13th July, I had an interview at Fulham, near London, with Miss Sullivan, the present owner of about 70,000 acres on Townships Nos. 9, 16, 22 and 61. Miss Sullivan expressed herself as then unwilling to part with her Estates in the Island, but determined to visit them herself, personally, and then finally to decide what course she would pursue, a determination which, as your Excellency is aware, Miss Sullivan has since carried out.

I called by appointment, on 19th July last, at 7, Portland Street, London, upon Lord Viscount Melville, who is understood to own 10,023 acres of Land on Township No. 29, and 1182 acres of Land on Township No. 63. I explained to His Lordship the object of my visit, and the desire of the Government to purchase his Estates, if terms could be agreed upon. His Lordship discussed the matter very freely, and finally, although he could not name a price at which he would sell, agreed to direct his Agent in Prince Edward Island to give me, on my return, full information on all points respecting his Estates, as to the area, annual rent, and probable amount of arrears of Rent, &c., to enable me to take the views of the Local Government on an offer to purchase his Estates, which offer His Lordship expressed himself as willing to receive. I subsequently, on 6th August last, wrote to Lord Melville, as follows:—

THE VISCOUNT MELVILLE—

MY LORD,

I purpose leaving London for America on 16th August, instant, and on reaching Prince Edward Island I shall apply to your Agent, Mr. Bourke, for particulars concerning your Lordship's Estates in the Island. May I ask your Lordship to write to Mr. Bourke, and request him to give me all the information I may require on the subject. I shall then proceed to take the views of the Local Government on an offer to purchase your Lordship's Estates, and communicate the decision to your Lordship as speedily as possible, and now have the honor to remain,

Your Lordship's

Most obedient servant,

JOSEPH HENSLEY.

To this His Lordship replied, through his Solicitor, John McKenzie, Esquire, of Edinburgh, that a Letter had been written to Mr. Bourke, requesting him to give me such information as I might require. Since my return to Prince Edward Island, on 13th September instant, I have seen Mr. Bourke, and have obtained information from him respecting Lord Melville's Estate, which will be fully communicated to the Government, and their views taken on the offer of purchase to be made to him. The following Letter, received by me from Mr. Bourke, gives some of the necessary particulars:—

HONORABLE JOSEPH HENSLEY—

DEAR SIR,

Having received advice from Lord Melville, wishing me to refer you, for the information of the Government, a statement of the number of acres of Land His Lordship holds on this Island, with the rental and arrears due thereon. In compliance with which I beg to send the following statement, viz:—

On Lot 29, 10,023 acres; Rental, 587l. 0 0 Arrears due, 31st Dec., 1866, 3613 0 0 On Lot 53, 1182 acres; Rental, 68 0 0 Arrears due, 31st Dec., 1866, 281 0 0

Any further information which the Government may require that I can give, I shall always be happy to communicate.

I have the honor to be,

Sir,

Yours, &c.

J. R. BOURKE.

On 29th July I went to Yovell, in Dorsetshire, and had an interview with Lady C. Georgiana Fane, (with whom I had previously been in correspondence on the subject) respecting her Estates at Crispaud, on Lot 29, which comprise about 9000 acres of Land. I urged her Lordship to offer her Lands to the Government, but found her unwilling at that time to part with them. On 6th August I addressed a Letter to Lady Georgiana Fane, on the same subject, in which I again brought to her notice (as I had previously done), that a very strong desire existed in the Island to abolish the Leasehold Tenure and give an opportunity to the occupants, to convert their holdings into Freehold, and that it was very essential to the public good that this object should, if possible be attained. I hoped she would, on further consideration, determine to offer her Township Lands to the Government on generous terms. Her Ladyship acknowledged the receipt of this Letter, and subsequently I had another interview, but I still found that she had not made up her mind to an offer of sale. I also had an interview with Sir Graham Montgomery (who owns a portion of Lot 34), at the Treasury, Whitehall, respecting his Lands in Prince Edward Island. Although nothing definite resulted from it, I have reason to expect shortly some further communication on the subject from him, or through his agent, the Honorable T. H. Haviland, which, when received, I shall at once make known to Your Excellency.

Having learned that Messrs. Thompsons, owners of a moiety of Township No. 26, were absent from the country at the time, I was unable to treat with them respecting the sale of their property, but recommend that application shall be hereafter made to them on the subject.

I did not apply to the Reverend John McDonald, because I had reason to believe that his interest in that portion of Townships Nos. 35 and 36, from which he receives now his rents, amounts to a life estate only, and, that therefore, he could not dispose of it absolutely in fee-simple, as contemplated by the provisions of the Land Purchase Bill.

Having been also authorized to negotiate a Loan under the Act of last Session, I found it necessary in the first place, for the information of those who might be likely to take it up, to obtain and compile official and authentic statements of the financial condition of Prince Edward Island, its Revenue and Expenditure, amount of Debt, Imports and Exports, during several years past, and also of the result, as nearly as could be estimated, of the operations of the Government in purchasing Land under the Land Purchase Act. I applied therefore, to the Commissioner of Public Lands, to Thomas DesBrisay, Esquire, one of the Public Auditors, and to Andrew Mitchell, Esquire, formerly Deputy Colonial Secretary, and obtained from them the necessary information under their hands, which is set forth in the printed papers (B.) (C.) (D.) (E.) (F.) (G.) (H.) which accompany this Report. I deposited at the Union Bank and circulated elsewhere in London copies of these printed papers, together with printed copies appended of my Official Report on the reasons for passing the Loan Bill, and my own Memorandum on the subject, dated in London, 3rd of July, 1867, both of which are also herewith sent marked (A) and (I) respectively. On 4th July, I obtained the following letter from J. A. Barton, Esquire, the Manager of the Union Bank of London, stating particulars of the terms upon which the Bank would act as Agents for the Government in endeavoring to negotiate a Loan:—

UNION BANK OF LONDON,

2, PRINCE'S STREET,

4th July, 1867.

MY DEAR SIR:—

Referring to the conversation I had with you on the subject of the Loan to the Prince Edward Island Government, and the commission we should charge for conducting that business, I find that, on comparing notes with other parties who have had similar transactions, a commission of 14 per cent. would not be unreasonable. I am, therefore, prepared to undertake the business on those conditions.

I am, dear Sir,

Yours faithfully,

J. A. BARTON,

General Manager.

HONORABLE JOSEPH HENSLEY.

I per cent. commission, if the Loan falls to the ground.

ed for the position for the Hon. Mr. Gray, of St. John. The Speech embraces the subjects of tariff, finance, Defence, fisheries, marine, postal arrangements, &c., as also the extension of the Dominion, so as to embrace British Columbia and the Western Territory. There is no allusion to Prince Edward Island or Newfoundland—the Ministers, no doubt, deeming it advisable to leave the Island Colonies "out in the cold" for the present. One or two of the French members for Quebec took exception to the speech because it was not spoken in French as well as in English, and Mr. Coekburn was deprecated as Speaker because he could not speak the French language. In accepting Confederation, we fancy the French members have been placed in a position where they will not receive that consideration which was accorded to them under the late Union between Upper and Lower Canada. They will now find themselves compelled to submit to English manners and usages, as well as to the English language in the General Parliament, and for this they are themselves responsible in consenting to the larger Union. The members for Ontario, New Brunswick and Nova Scotia, forming, as they do, the large majority, will scarcely go to the trouble and expense of learning French, merely to accommodate the minority from Quebec, and thus, from this date, we may expect to see the decline of the French language in the Dominion. However much we may deplore this fact, it cannot now be helped. The Hon. Mr. Howe, in commenting upon the Speech, opposed the further extension of the Union by the reception of new territories within the Dominion, and in this we think he was right, for, until the Dominion Executive demonstrates that it can govern wisely and well the territory now entrusted to its charge, it would be folly to extend its borders. There is every indication of a row among the Ministers, (one of whom, the Hon. Mr. Galt, has been forced, by popular opinion, to resign his portfolio of Finance Minister) and of a speedy break-up of the Dominion.

FOUNDLING.—On Tuesday morning last, a female infant, apparently about three days old, was found by Mr. John McDonald, snugly ensconced in a small box, with the lid nearly closed, on the doorstep of his father's (Mr. Neil McDonald's) house, Barbara West. A bundle of flannel and other clothes accompanied the infant, all of good quality, but evidently second-hand. A letter was found, written in a female hand, somewhat to the following effect:—

Christian Friend.—To hide my shame, a poor creature young mother, I have chosen you as the guardian of my poor innocent babe. Its father is a deceiver. I cannot expect help from him. God knows I have learned a dear lesson: So for God's sake take care of my child; get it christened and rear it a Catholic. I am poor, but as long as I can earn a shilling you shall have it. When you hear from me again it shall be by the Malpague post office. So now God bless you all, and all I have I leave with it.

The letter was accompanied by 9s. 1d. in cash, addressed to Miss McDonald, B. Wd. No clue to the parties who left the infant can be found. A man's footsteps were traced across the field to the house, and the track of a vehicle was plainly visible, on the road, but the direction he went in is uncertain.—S. Progress.

We have been requested to add the following particulars to the obituary, published in our last, of the late Lieut. Colonel P. D. STEWART:— He was the eldest son of the late Honorable Charles Stewart, H. M. Attorney General of this Island; was the Grand-son of the late Chief Justice Stewart, of this Island; and was the Great-grand-son of the late Sir John Stewart, of Black Hall,—all of revered memory.

THE GRAIN TRADE is unusually brisk in this Island—it is said there will be some sixty square vessels leave this Fall loaded with Oats for various Ports in Europe. This will be a good thing for the farmers, particularly as the price has ruled high the whole season—from 2s 6d to 2s 8d, per bushel. The operations of one House in this City, in grain, will amount to nearly £40,000.—Isl.

We had a regular old-fashioned snow squall from the North West, on Wednesday night and Thursday morning last, and at the time we write the ground is covered with two or three inches of snow, with every appearance of an early winter. There are a large number of vessels in the various Ports and Rivers in the Island, loading with Produce, and it will require weeks of fine weather before they can all be despatched.—Isl.

News by Telegraph.

London, Nov. 4, eve.

The intelligence from Italy is important. Garibaldi and his force were attacked and defeated on Sunday by the French and Papal troops. Gen. La Marmora, who was sent to Paris by the King of Italy on a mission, the nature of which has not been developed, has returned to Florence, having failed in accomplishing the object for which he was despatched thither.

Paris, Nov. 5.

The Monitor of this morning publishes full particulars of the battle in Italy. The scene of the fight was near Teroli. Eight thousand insurgents were killed, wounded or made prisoners. Garibaldi himself and his son Menotti were captured and sent to Florence as prisoners of war. Four thousand Garibaldians, while on their march to reinforce the insurgents were stopped, disarmed and turned back.

The greatest agitation prevails in Italy. The ultimatum of Napoleon is to be answered by or before Thursday.

London, 5th, noon.

Serious bread riots occurred in Exeter yesterday and to-day. Every meat and bread shop in this City was sacked. At the date of the last despatches incendiary fires were breaking out in different parts of the town. There was much excitement and the local authorities had petitioned the Government for troops to quell the discord.

London, Nov. 5.

Parliament has been called to reassemble on the 19th of November. Garibaldi had arrived at Spezzin on board an Italian man-of-war, prisoner in the hands of the Italian Government. The Vienna Debate, a semi-official journal, in this city, states that Baron Von Buent, in a note, says that the policy of the Emperor Napoleon and that of Francis Joseph are the same, namely that of peace.

It is thought that the recent defeat of Gen. Garibaldi cancels the ultimatum of Napoleon. It is said that the Italians have repassed the frontier.

It is also stated that the Emperor Napoleon has received Gen. La Marmora, the Italian ambassador.

Disturbances caused by want of employment and scarcity of food continue in Devonshire. Riots are reported at Torquay, Exmouth, and other places in the country. By the efforts of the authorities at Exeter, the troubles at Exeter were suppressed, and the town