

CANADA. and certain delegates from the Colony of Newfoundland, on the subject of the union of that Colony with the Dominion of Canada, and of the resolutions adopted by them, as the basis of such union, which are in the following words, namely :

Resolved, 1. That Canada shall be liable for the debts and liabilities of Newfoundland, existing at the time of the union :

2. For the purpose of placing the interest on the public debt of Newfoundland on the same footing as that of the other provinces, Canada will, on the request of the Lieutenant Governor and Council of Newfoundland, make arrangements to substitute in lieu of the existing securities which now represent the public debt of Newfoundland, the bonds or stock, either of the late Province of Canada, or of the Provinces of New Brunswick or Nova Scotia, issued before the 1st July 1867 ; and will further endeavour to provide that the securities of Newfoundland shall be placed on the same footing as those of the other Provinces, as investments in which the sinking funds of any portion of the debts for which Canada is now responsible may be made.

3. Newfoundland not having incurred debts equal to those of the other Provinces now constituting the Dominion, shall be entitled to receive by half-yearly payments, in advance, from the General Government interest at the rate of 5 per cent. per annum on the difference between the actual amount of its indebtedness and the indebtedness per head of the population of Nova Scotia and New Brunswick, the population of Newfoundland being estimated at 130,000.

4. In consideration of the transfer to the General Parliament of the powers of taxation, the following sums shall be paid yearly by Canada to Newfoundland, for the support of its Government and Legislature, to wit, \$35,000, and an annual grant equal to 80 cents per head of the aforesaid population, both half yearly in advance ; such grant of 80 cents per head to be augmented in proportion to the increase of population as may be shown by each subsequent decennial census, until the population amounts to 400,000, at which rate such grant shall thereafter remain, it being understood that the first census shall be taken in the year 1871.

5. In consideration of the transfer to the General Government by Newfoundland of the now ungranted and unoccupied lands, mines, and minerals of the Colony, it is agreed that the sum of \$150,000 shall each year be paid to Newfoundland by semi-annual payments in advance, and that Colony shall retain the right of opening, constructing, and controlling roads and bridges, through any of the said lands, and that the privilege heretofore enjoyed by the inhabitants of Newfoundland of cutting (free of charge) wood on the ungranted lands of the Crown, shall continue to be exercised by them in like manner free of charge, but the aforesaid reservations shall be subject to such regulations as may from time to time be passed by the Lieutenant Governor of Newfoundland in council, and which regulations shall be subject to the approval of the Governor General in council.

Such surrender shall also be subject to the reservations and provisoes contained in the 7th and 8th sections of the Act of the Legislature of Newfoundland, 7 Vic. cap. 1, but these shall in like manner be at all times subject to approval as aforesaid.

6. It shall be optional, however, for Newfoundland before entering the Union to reserve to itself all the lands and rights conveyed to the General Government by the last preceding clause, and in that case Canada shall be relieved of the payment of the aforesaid sum of \$150,000 per annum.

7. The encouragement, benefits, and protection, accorded by the Dominion to fisheries in other parts thereof shall be extended to the fisheries of Newfoundland, and unless Parliament shall make other provision, the provisions of the Act of the Legislature of Newfoundland, 31 Vic. cap. 1, sec. 3, shall remain in force.

8. In addition to the present local water rates and assessments in the town of St. John, the water dues now payable by vessels entering that harbour, as well as the present duty on coal entering the said harbour, shall be available to Newfoundland, and be applied in reduction of the interest for which Newfoundland is now responsible in respect of its liability toward the General Water Company ; such duties on coal and water dues shall be subject to adjustment from time to time by the Legislature of Newfoundland. On an address of such Legislature to that effect the Dominion Government will issue bonds bearing interest at 5 per cent. per annum, maturing not less than 15 years from the dates thereof, to be delivered to the Government of Newfoundland for the purpose of finding the aforesaid liability to the said General Water Company. On a like address, the Dominion Government will also issue bonds to fund the liability contracted in respect of the Harbour Grace Water Company, all such sums being charged to Newfoundland as part of its debt.

9. The Dominion will provide an efficient Mail Service between the present dominion, Newfoundland, and the United Kingdom, by steamers adapted and giving adequate facilities for the conveyance of passengers and cargo.

The obligations of Newfoundland with respect to the present Mail Service between Newfoundland and Halifax will be undertaken by the Governor of the Dominion, and on the expiry of existing arrangements other provisions will be made for maintaining the services in a manner equally advantageous to Newfoundland.

Efficient coast steam service, including Labrador, in connexion with the Post Office, will be established and maintained by the Government of the Dominion.

10. Canada will assume and defray the charges for the following services :—

- a. Salary of the Lieutenant Governor.
- b. Salaries and allowances of the Judges of the Superior Court, the Judges of District Courts, and the Labrador Judge and Bailiff.
- c. The Charges in respect of the Department of Customs.
- d. Postal Department.
- e. Protection of Fisheries.
- f. Provision for Volunteer, Militia, and Naval Brigade Force.
- g. Light-houses, Shipwrecked Crews, Quarantine, and Marine Hospitals.
- h. The Surveyor-General and his Staff (in case the lands shall be transferred).
- i. The Geological Survey.
- j. The Penitentiary.