

Such surrender shall also be subject to the reservations and provisos 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 towards 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 funding 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 Government of the Dominion, and on the expiry of existing arrangements, other provision will be made for maintaining the services in a manner equally advantageous to *Newfoundland*.

Efficient coast steam service, including *Labrador*, in connection 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.

And such further charges as may be incident to and connected with the services, which by the *British North America* Act, 1867, appertain to the General Government, and as are or may be allowed to the other Provinces.

11. No exceptional tax shall be imposed on any of the exports of *Newfoundland*.

12. *Newfoundland* shall, in case the Union take place previous to the next census in the year 1871, be entitled to be represented by eight Members in the House of Commons, and thereafter the representation shall be subject to the provisions of the *British North America* Act, 1867.

13. The Union shall take effect on such day as Her Majesty, by Order in Council, on an Address to that effect, in terms of the 146th section of the *British North America* Act, 1867, may direct, and *Newfoundland* may in such Address specify the divisions, if any, for which any of the four Senators to which that colony is entitled shall be named; the Electoral District for which, and the time within which, the first election for Members to serve in the House of Commons in *Canada*, shall take place.