PRINCE EDWARD'S ISLAND. No. 18.

No. 18. No. 1

Copy of Despatch from his Grace the Duke of Newcastle to Lieutenant-No. 1. Governor Daly.

Sin, Downing Street, 12th June, 1854.

I have to acknowledge the receipt of Sir A. Bannerman's Despatch, dated 9th ultimo, reporting the rejection by the Legislative Council of a Bill which had been passed by the Assembly of Prince Edward's Island, for the establishment of a small Police Force, and urging, among other measures, that the company of the 76th Regiment, now stationed in the colony, should be allowed to remain there for the present.

I regret the rejection of the bill in question, but Her Majesty's Government cannot postpone on that account the intention which has been so long and so repeatedly expressed by them of withdrawing the detachment of Her Majesty's troops, and immediate steps will be taken for that purpose.

I see no reason, as at present advised, for adopting the suggestions of Sir A. Bannerman in regard to the Barracks, but I will delay taking any final decision until furnished with a report from you on the subject.

I have, &c. (Signed) Newcastle.

## No. 19.

No. 19.

Copy of Despatch from the Right Honourable Sir G. Grey to Licut. Governor Daly.

No. 1.

Sin, Downing Street, 18th August 1856.

I HAVE duly received your despatch of the 3d July, marked "Military," deprecating the removal of the troops from Prince Edward's Island, as notified to you in the despatch of the Duke of Newcastle of the 12th June, Military, No. 1.

Apart from the considerations connected with the war in which we are engaged, which have determined Her Majesty's Government to withdraw a large portion of the forces from the British North American Colonies, I perceive, from the many despatches which have been addressed to your predecessor, during the last three years, that there are not wanting special grounds for this measure in the case of Prince Edward's Island.

The Despatch of the Duke of Newcastle to yourself, to which I have referred, will indeed have led you to anticipate an earlier fulfilment of the intention

therein expressed.

I have now to acquaint you that Lieutenant-General Gore has been instructed, by the present mail, that the 72d Regiment and one company of Royal Artillery are to be brought home; that the 76th Regiment, which is to be increased to 850 rank and file, and the two remaining companies of Royal Artillery, which will then (exclusive of the Royal Newfoundland Company) comprise the only force within the limits of his command, are to be quartered at Halifax; but that one or two companies of that regiment, and half a company of artillery, will have to be detached for service in New Brunswick.

He has been further instructed that all the small outposts maintained in Nova Scotia and New Brunswick are to be forthwith abandoned, and the detachment of the 76th Regiment, on service in Prince Edward's Island, withdrawn.

He is, moreover, to take immediate steps for carrying these arrangements

into effect.

I transmit for your information, and as serving to explain to you the general grounds on which Her Majesty's Government have been induced to make so large a reduction of the forces maintained in British North America, a copy of a despatch, dated 11th August, which I have addressed to the Governor-General of Canada on the subject.

I have, &c. (Signed) G. GREY.

E MARKET

No. 17.

Tith August 1854.

Vide page 9.