

demand the application of this measure to the peculiar circumstances of the colony, I respectfully trust that your Lordship will see sufficient grounds to recommend it for Her Majesty's confirmation.

4. In the vicissitudes of human events, and more particularly when they are influenced, as in this island, by the market for timber, and by ship-building, the fluctuations of which will at any time either exhilarate or depress the settler, the most industrious family may be brought to want without fault or criminality; and, unless protected by this enactment, may be ejected from farms which the strength of their youth and manhood have reduced to cultivation and rendered valuable.

5. In such cases the landlord would be prevented from taking all; and unexceptionable referees would establish the value that should be placed upon the tenant's labour, whilst the improved farm would return to the possession of the landlord, to be disposed of with increased ease and advantage.

6. The tenantry have long been anxious for this measure, and at a time when the provincial Government is resisting the delusion (that for political purposes is so mischievously propagated), that escheat and free lands are to be attained by agitation, your Lordship will perceive how desirable it is that their reasonable expectations should not be disappointed.

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I have, &c.
(signed) *D. Daly*,
Lieutenant-Governor.

Enclosure in No. 2.

Enclosure in No. 2.

AN ACT to secure Compensation to Tenants in *Prince Edward Island*, and thereby to promote the Improvement of the Soil.—[Passed 17 April 1855.]

Preamble.

WHEREAS a great part of the lands in this island are let to tenants, in some instances by written leases and agreements, and in others on merely verbal agreements, or on determinable tenures, or at will, such lands being in a wilderness and unimproved state, and without, at the commencement of such tenancy, any suitable buildings, or other improvements being made thereon by the lessor, or any allowance given or secured to the tenant or lessee, in consideration of any improvement made by clearing the forest, fencing, erecting buildings, draining, or otherwise, for the culture of the soil, in case he shall at any time, by misfortune or otherwise, make default in payment of the rent reserved in the lease or agreement, and the landlord shall thereupon, or at the expiration of such tenant's or lessee's term, take proceedings, by ejectment or otherwise howsoever, to recover possession of the land; and the tenant or lessee has on that account cause of complaint: be it therefore enacted, by the Lieutenant-governor, Council, and Assembly, as follows:—

Every tenant of land qualified, as mentioned in this Act, (where the land was unimproved at the commencement of the tenancy), who has made improvements, shall receive compensation therefor, previous to ejectment, &c., for non-payment of rent.

Tenant on being served with notice to quit or declaration in ejectment, &c., shall serve notice of claim for compensation on landlord, with an offer of arbitration and name of an arbitrator.

The two arbitrators to appoint a third arbitrator.

I. From and after the passing of this Act every tenant, qualified as hereinafter mentioned, occupying lands and paying rent in this island under a lease or agreement, verbal or in writing, reserving rents which shall have been in a wilderness state, and unimproved when the possession was given, or lease or agreement thereof granted or made at the date thereof, and when permanent improvements shall have been made on the land or premises in his occupation since the commencement of such occupation or date of the lease or agreement, shall be entitled, previous to the execution of any writ, process of ejectment, or other process at law, for nonpayment of rent, to receive compensation for the value of such improvements, according to the rules and regulations in this Act hereinafter provided.

II. If any such tenant or lessee shall be desirous to claim compensation under this Act, such tenant or lessee shall, on service of a notice to quit, or a declaration in ejectment, or other process issued or served to recover the premises in his occupation being made on him by such landlord, or within 20 days after such service, serve on such landlord, or his agent or attorney, a notice of such claim, which notice shall be in writing, and shall state the amount demanded by such tenant or lessee; and also an offer, on the part of the tenant or lessee, to refer all the aforesaid matters to arbitration; and which notice shall also contain the name of an arbitrator, being a fit and proper person resident in Prince Edward Island, to be appointed by such tenant or lessee for the purpose of such arbitration; and in case the claim for compensation shall not be acceded to by such landlord, or his agent or attorney, or adjusted by agreement between the parties, such landlord shall, within 20 days after the delivery of such notice, serve upon such tenant or lessee a notice containing the name of an arbitrator, being a fit and proper person resident in Prince Edward Island, to act in the matter of such arbitration; and the said two arbitrators so appointed by the tenant or lessee, and the landlord, shall appoint a third arbitrator, being a fit and proper person resident in Prince Edward Island, and the said matters in dispute shall be referred to the three arbitrators.