

The Herald.

VOL. IV.

CHARLOTTETOWN, P. E. ISLAND, WEDNESDAY, NOVEMBER 20, 1867.

NO. 6

THE HERALD
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BY
EDWARD REILLY,
EDITOR AND PROPRIETOR,
at his Office, Queen Street.

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ALMANACK FOR NOVEMBER.
MOON'S PHASES.

First Quarter, 4th day, 10^h. 15^m. morning, N.E.
Full Moon, 11th day, 8^h. 57^m. evening, S.E.
Last Quarter, 18th day, 0^h. 53^m. evening, W.
New Moon, 25th day, 0^h. 58^m. morning, N.

DAY WEEK.	SUN	High	Moon	Low	Wind	Temp.
1 Friday	46	42	1	39	8	57
2 Saturday	47	40	2	36	9	48
3 Sunday	49	37	3	33	10	43
4 Monday	50	35	4	31	11	38
5 Tuesday	52	34	5	29	12	33
6 Wednesday	53	33	6	27	13	28
7 Thursday	55	31	7	25	14	23
8 Friday	56	29	8	23	15	18
9 Saturday	57	27	9	21	16	13
10 Sunday	59	25	10	19	17	8
11 Monday	61	23	11	17	18	3
12 Tuesday	63	21	12	15	19	-2
13 Wednesday	65	19	13	13	20	-7
14 Thursday	67	17	14	11	21	-12
15 Friday	69	15	15	9	22	-17
16 Saturday	71	13	16	7	23	-22
17 Sunday	73	11	17	5	24	-27
18 Monday	75	9	18	3	25	-32
19 Tuesday	77	7	19	1	26	-37
20 Wednesday	79	5	20	-1	27	-42
21 Thursday	81	3	21	-3	28	-47
22 Friday	83	1	22	-5	29	-52
23 Saturday	85	-1	23	-7	30	-57
24 Sunday	87	-3	24	-9	31	-62
25 Monday	89	-5	25	-11	32	-67
26 Tuesday	91	-7	26	-13	33	-72
27 Wednesday	93	-9	27	-15	34	-77
28 Thursday	95	-11	28	-17	35	-82
29 Friday	97	-13	29	-19	36	-87
30 Saturday	99	-15	30	-21	37	-92

Prices Current.
CHARLOTTETOWN, November 8, 1867.

PROVISIONS.	Price
Beef, (small) per lb.	4s 10c
Do by the quarter.	4s 10c
Pork, (curves)	5s 10c
Do (small)	5s 10c
Mutton, per lb.	4s 10c
Lamb, per lb.	4s 10c
Venison, per lb.	4s 10c
Ham, per lb.	4s 10c
Butter, (fresh)	1s 10c
Do by the tub.	1s 10c
Cheese, per lb.	1s 10c
Tallow, per lb.	1s 10c
Lard, per lb.	1s 10c
Salt, per lb.	1s 10c
Oatmeal, per 100 lbs.	1s 10c
Eggs, per dozen.	1s 10c
Grain	
Barley, per bushel.	2s 10c
Oats, per do.	2s 10c
Vegetables.	
Peas, per quart.	2s 10c
Potatoes, per bushel.	2s 10c
Poultry.	
Geese, per pair.	2s 10c
Turkeys, each.	2s 10c
Fowls, each.	1s 10c
Chickens, per pair.	1s 10c
Ducks, per pair.	1s 10c
Fish.	
Codfish, per qtl.	2s 10c
Herring, per barrel.	2s 10c
Macrarel, per dozen.	2s 10c
Lumber.	
Boards (hemlock).	4s
Do (spruce).	4s
Do (fir).	4s
Slingles, per M.	1s 10c
Sundries.	
Hay, per ton.	7s 10c
Straw, per ton.	6s 10c
Timothy Seed.	4s 10c
Clover Seed, per lb.	4s 10c
Homopun, per yard.	4s 10c
Califina, per lb.	4s 10c
Hides, per lb.	4s 10c
Wool.	4s 10c
Sheepskins.	4s 10c
Apples, per doz.	1s 10c
Partridges.	1s 10c

GEORGE LEWIS, Market Clerk.

Fishermen's Outfits.
THE SUBSCRIBER is prepared to furnish promptly to FISHERMEN, at reasonable prices, all the OUTFITS necessary to prosecute all the different branches of FISHING carried on about Prince Edward Island, and in the adjacent waters, such as

- Salt, Flour, Bread, Beans, Peas, Butter, Pork, Lard, Tea, Coffee, Sugar, Molasses, Spices, Pickles, Lard, Boiled Oil, Kerosene Oil, Vinegar, Soap, &c. &c.

Apply to JOHN McNEILL, Water Street, Charlottetown, May 22, 1867.

CHILDREN TEETHING
MRS. WINSLOW.
An experienced Nurse and Family Physician, presents to the attention of mothers, her

Soothing Syrup,
For Children Teething.
which greatly facilitates the process of teething, by softening the gums, reducing all inflammation—will allay all pain and spasmodic action, and is

SURE TO REGULATE THE BOWELS,
DEPENDANT THEREON, IT WILL GIVE REST TO YOURSELF, AND RELIEF AND HEALTH TO YOUR INFANTS.

We have put up and sold this article for over thirty years, and can say with confidence and truth, that it is the best medicine ever used by any mother who has a child teething.

It not only relieves the child from pain, but invigorates the stomach and bowels, corrects acidity, and gives tone and energy to the whole system. It will almost instantly relieve the most violent colic, and is equally efficacious in all cases of dysentery and diarrhoea in children, when it arises from teething, or from any other cause.

It is not only safe for every mother who has a child teething, but it is equally safe for every mother who has a child teething, and it is equally safe for every mother who has a child teething.

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REPORT OF THE HONORABLE JOSEPH HENSLEY, Attorney General,
TO THE GOVERNMENT OF PRINCE EDWARD ISLAND, RESPECTING HIS MISSION TO ENGLAND ON THE SUBJECT OF THE LOAN BILL AND OTHER MATTERS.

CONTINUED.

Subsequently I had numerous interviews with Mr. Barton, and with many gentlemen connected with the Stock and Money Market, on the subject of the proposed Loan, the final result of which was a determination upon my part to delay for a time placing the application absolutely before the public. It was, however, notwithstanding the abundance and cheapness of money, a very unfavorable time for the operation. A general indigestion of the market in any securities, Home, Foreign, or Colonial, existed, and this was proved by the failure of several attempts to raise Loans. An attempt was made during the month of July to raise a Loan of £100,000 for the Colony of Tasmania. The Loan was publicly advertised and tenders invited. The minimum price fixed by the Tasmanian Government at which tenders were to be accepted was 95, that is a bonus of five per cent. on each Bond or Debenture for £100, which was also to bear interest at six per cent. per annum. At this price there was only one tender, and that was £1000 only; and consequently the Tasmanian authorities were obliged to let the application lie over for a time. An attempt to raise a Loan of money in the month of August for the Russian Government also failed. The following correspondence which passed between myself and Mr. Alexander Scrimgeour of the firm Messrs. J. & A. Scrimgeour, No. 18, Old Broad Street, London, extensive Brokers, and Brokers for the Union Bank of London, will explain clearly the state of the money market at the time as regarded the Loan proposition. I had handed to Mr. Alexander Scrimgeour, for his opinion and advice, the papers connected with the Loan, and on 21st July, he wrote as follows:—

"DEAR SIR,
I have read the papers respecting the Loan for Prince Edward Island very carefully, and there is only one suggestion which I have to make which is as to the application of the Sinking Fund.

"I have no doubt that it would tend to make the Loan popular if the Sinking Fund were made to act by a dividend on the Bonds drawn each year by lot, and paid off at £100, thus relieving the whole Loan in Twenty years as authorized by the Act.

"The advantage of this plan to the Government is, that it renders the Sinking Fund self-acting, obviating the necessity of investing from year to year, sometimes at a great disadvantage, for a period of twenty years, while to the Bondholder it is very attractive, as assuming the Bonds to be issued at a discount, it gives him the chance of an almost immediate profit on his investment. In cases where the Sinking Fund is arranged in this way the shorter the date at which the Loan expires the better, ten years Bonds would command a better price than twenty years.

"About this time last year, when things were very dull, we floated a Loan for New South Wales (£250,000) on similar plan to that of the Government, and it is now the most popular and successful Loan that it ever had, and will become more and more general.

"I assume that you will have taken care to comply with the requirements of the Committee of the London Stock Exchange, by having the Bonds numbered and the whole series inserted on the face of the Bonds. You can obtain a Bond at our office if you require a sample.

"From what I hear, things seem extremely dull in London just now, and I should recommend your waiting a little if practicable.

"I am, dear Sir,
Yours truly,
"A. SCRIMGEOUR."

I replied to this letter on 26th July last, as follows:—

"DEAR SIR,
I received your letter of 21st instant, and I am much obliged to you for the suggestions respecting the Loan, contained in it. I quite agree with you that it would be more likely to find advantage if the Sinking Fund had been applied to the payment of Bonds annually drawn, but as the Act now stands its provisions will not admit of such an arrangement and any issue which takes place would have to be strictly in accordance with the local statute payable to at twenty years from date. I am very desirous if it can be obtained without too great a disadvantage, to raise the Loan at once, because I have to return to America on 17th August, and would like, if practicable, to complete the matter by that time. Will you be so kind as to give me your opinion as to the price at which you think the Bonds would now sell, issued as the Act now stands. The Canada, New Brunswick and Nova Scotia Bonds, which are pretty much in the same form as those I propose to issue, appear to me to be worth about 96 1/2 a 3/4. Prince Edward Island being in the same group of Colonies, and its financial condition rather better (relatively) it appears to me that the others, ought I think to get as good a price for her Bonds. But what I want your opinion on are the following points:—

"1st. What price, in your opinion, would the Prince Edward Island Bonds probably obtain if now put on the market in their present form?

"2nd. What price, if put in the market, say two or three months hence?

"3rd. What increased price in either case do you consider would be obtained if the Sinking Fund was made applicable to an annual discharge of Bonds by drawings and?

"4th. What increase if ultimate time for payment should be made in ten instead of twenty years?

"I have seen your father on this matter since I saw you, and his views coincide with yours. I have arranged to meet Mr. Barton at the Union Bank, on Wednesday, at half past ten o'clock, to determine what course I shall pursue now about the Loan, and I shall be very much obliged if you will be so good as to give me a reply and your opinion on the points to which I have referred, so that I may receive it on or before Wednesday morning next.

"You will please bear in mind that I desire to issue the Loan now if practicable, but I shall be very much guided by your opinion and advice.

"I am, dear Sir,
Yours very truly,
"JOSEPH HENSLEY."
Mr. Scrimgeour replied to the following effect:—

"21, UNION STREET,
"ABERDEEN,
"29th July, 1867.

"DEAR SIR,
I beg to thank you for your Letter of 29th inst. It would of course be impossible to do anything more in accordance with the Act. It is really interesting to see it appear to me that it would admit of the Sinking Fund being applied by annual drawings, provided the Loan was extinguished in twenty years, but no doubt I am mistaken in this.

"The comparison you make with other Bonds is perfectly just, nevertheless if any one of those Colonies whose Bonds have now stood at 95 were to attempt to fresh issue I feel certain they could not do so within five per cent. of present price at least. Any answer to your questions must of course be quite problematical, but I should venture the following conjectures:—

1st. The Loan, in its present form, would not at the present time be taken above 90, if at that.

2nd. Provided nothing unforeseen took place in the meantime, I should expect an opportunity within three or four months of placing the Loan at not 93 or 95.

3rd. I consider that if the Loan were made for five years, redeemable by annual drawing, it would go quite as readily at 95 as at 90 in its present shape.

4th. This maturity might be arranged to suit the convenience of the Colony, but the shorter the date the higher the price the Bonds would be likely to fetch.

"My father, who is on the spot, will be able to give you a more reliable opinion of the state of the market, but from all I hear it is almost impossible to imagine a more unfavorable time than the present for an operation of this sort.

"I am, dear Sir,
Yours very truly,
"A. SCRIMGEOUR."

After receiving this communication from Mr. Scrimgeour, I again consulted with Mr. Barton, the Manager of the Union Bank, and others engaged in business on the London Stock Exchange, and included, in accordance with Mr. Scrimgeour's advice, the Loan at that time, but to allow it to stand over until my return to Prince Edward Island. This course had several manifest advantages. The Government would, by communication with me, personally be better able to judge of the propriety of negotiating the Loan at the present time. The disposition of the remaining Proprietors of Lands to part with their Estates would be more fully ascertained, and the amount of money likely to be required for that purpose known. I should also be able to take the opinion of the Government on the change in the scheme of the Loan, recommended by Mr. Scrimgeour, by making the Sinking Fund act by a five per cent. annual drawing at par of the Bonds to be issued, which was not contemplated in my original authority and instructions, and which I could not venture to make on my own responsibility. On consideration of this point, I am now inclined to think that these changes may be effected should it be deemed advisable (and I fully agree with Mr. Scrimgeour as to its advantage) by an order in Council authorizing it. The Union Bank would hardly undertake to issue Bonds with annual series of drawings without such order. It is true that by writing to the Government in the Island I could have recommended the Loan at that time, but as I had then no papers to enable me to do so, and that up to date in Council could have been made and forwarded to me in England, and that I could, after receiving it, have brought the Loan forward at the time suggested by Mr. Scrimgeour, but as this would have required me to remain in England for some time, which I thought it more fully respects undesirable, I concluded to return to the Island before fully instructing Mr. Barton, as Manager of the Union Bank, as to the course to be pursued hereafter respecting the Loan. I therefore again before leaving England, on 21st August, called upon Mr. Barton and left with him all necessary papers to enable him to act in the matter, as directed and instructed by this Government after my return, and in all other necessary preliminary arrangements with him.

The anticipations of Mr. Scrimgeour as to an improvement in the money market, with respect to Colonies' Bonds, has, as you will be aware, been realized, for, by late advice from England, about all of them were commanding at least two (2) per cent. better prices than they were in the July last, and there seems a probability that these will still further improve during the next two or three months.

I shall therefore lay before your Excellency as far as possible the information which I have received from Proprietors of Lands, as to the state of the market, and the reasons for my Excellency's information and the guidance of the Government.

I have the honor to be,
Your Excellency's
Most obedient servant,
JOSEPH HENSLEY,
Attorney General.

LONDON, 31st July, 1867.

The accompanying annexed printed Papers and I have had reference to a Loan of £100,000 which the Government of Prince Edward Island are authorized to raise, in London, under an Act of the Legislature passed during the present year.

(A) contains the Report of the Attorney General of the Province, on the Act in question, and the reasons for passing it, furnished by him to the Lieutenant Governor of the Province, on the 4th of June last. The original is now in the Colonial Office in London.

(B) is a Letter from the Attorney General to one of the Auditors of Public Accounts and another gentleman, a skilled Accountant, requesting "Returns and Statements of the Public Revenues and Expenditures, from January and Expenditure, &c., of Prince Edward Island, during a period of ten (10) years. The reply to this Letter is in the hands of the Hon. John A. A. A., the Comptroller of Public Lands in Prince Edward Island, respecting statement as to the result of the operations of the Loan Government under the Land Purchase Bill of 1864, cap. 18, which the present Loan Bill is intended in part to extend or assist. It also contains the Comptroller's statement and reply, as requested, (C) and (D) are explanatory Letters, having relation to the papers referred to in (B) (C) and (D).

(E) contains the Report of Public Accounts of the Committee of the House of Assembly of Prince Edward Island, for the year ending 31st January, 1867. The figures and amounts in this Report are stated in current money of Prince Edward Island; but in some instances these amounts have been reduced into Sterling money, as printed in the margin or at the foot.

A reference to the annexed Papers and Returns will show that the Revenue of Prince Edward Island has very largely increased during the last ten (10) years, and that the trade of the Colony has also become rapidly expanded at the same time.

The increase in the Public Debt and apparent Expenditure (at least during the last six years) has been principally caused by purchasing Lands under the Land Purchase Bill, &c., comprehensive and beneficial measure, having for its object the extinguishment of the Leasehold Tenure, and the settlement in Freehold of all the actual occupants and cultivators of the soil. The amounts expended for the purpose cannot properly be regarded as Expenditure, because the Lands purchased, or balances due upon them from the occupants who have become purchasers from the Government, are assets in the hands of the Government against, and in reduction of, the Public Debt and Expenditure, as is fully explained in the Land Commissioner's Letter (E), and in Letters (F) and (G), already referred to.

Thus, in the year 1866, the Revenue is stated at £3,628 12s. 9d. Sterling, and the Expenditure at £102,888 1s. 3d. Sterling—an apparent excess of Expenditure over Revenue of £99,259 8s. 6d. Sterling. Yet this is no real excess of Expenditure, but, in reality, a surplus of Income; because, in the same year, £91,896 Sterling, charged as Expenditure, was only paid out for the purchase-money of 230,469 acres of Land, [see (H) the greater part of which was in balance of purchase-money due from occupants, still being, and are payable to the Government, and are assets in reduction of the Expenditure and Debt of the Colony, although not actually so credited in (H) annexed.

In the last year, 1867, a surplus of £6,857 10s. 2d. Sterling, over and above expenses, [see (I) on account of Public Crown Lands, was received and credited as Rev. Income. Deducting this latter sum from the Revenue of last year as above, £68,628 12s. 9d. Sterling, and also deducting the sum of £31,896 Sterling, (the amount, as above) stated, paid out to purchase Lands in the same year) from the Expenditure of last year, £102,888 1s. 3d. Sterling, leaves the actual and ordinary Revenue and Expenditure for 1866 (irrespective of any surplus from Land receipts) as follows:—

Revenue	56,771 2 7
Expenditure	47,992 1 3
	8,779 1 4

Surplus of Ordinary Revenue over Ordinary Expenditure for 1866, £8,779 1s. 4d. Sterling.

Again, the Debt of the Colony on 31st January last amounted to £30,024 11s. 9d. Sterling, which, together with charges against the Government all sums paid for purchasing Lands, but does not give any credit for the Lands unsold and balances due from occupants to the Government, which are real and valuable assets to go in reduction of the Debt. The Commissioner of Public Lands [see his Letter (E) annexed] states these assets at £75,492 7s. 4d. Sterling, which, deducted from the apparent Debt, £30,024 11s. 9d. Sterling, will reduce the actual present Debt to £15,536 4s. 5d. Sterling. It is, however, in order to cover any deficiencies and expenses in realizing the above sum of £75,492 7s. 4d. in the Land Office, the Debt of the Colony at the present time may be assumed to be £19,000 Sterling, the case will, it is believed, be assumed unfavorably rather than otherwise for the present Loan Act will either be expanded in purchasing additional Lands, and will take place in those Habitués, but the Loan advances will take the place of, an equal amount of the now existing Debt.

The paper marked (A) annexed, will explain the reasons why it is preferable for the Government of Prince Edward Island to raise monies in London under the Act, rather than within the limits of the Colony.

An endeavor has been made, in this and the annexed papers, to lay before those who may be disposed to subscribe towards the proposed Loan an accurate and intelligible statement of the financial position of Prince Edward Island, and the present application for a Loan in England, which, by its security and a feeling of confidence, and the certainty offered to England, about all of them were commanding at least two (2) per cent. better prices than they were in the July last, and there seems a probability that these will still further improve during the next two or three months.

This is the first foreign Loan for which Prince Edward Island has applied, and any local obligations or loans of the Government are all included in, and are in addition to, the Statements of Debt and Expenditure, already referred to in this Memorandum or Statement.

Original and substantiated copies of the Loan Act,