APPENDIX

(Y.)

(SEE PAGE 100.)

(Corr.)—No. 3.

Downing Street, 12th February, 1851.

Sin

On your proceeding to assume the Government of Prince Edward Island, I am particularly anxious to direct your attention to a question, which, perhaps, affects more than any other, the political and social well being of its community.

It appears to me of the highest importance, that some satisfactory arrangement of it should now take place, when the inhabitants of the Island are soon about to exercise a still larger share of control over its public affairs, than they have hitherto enjoyed.

- 2. I allude to the subject of the Landed Tenures. Without going into detail, it is sufficient for me here to remind you, that repeated applications have been made, at different times, to Her Majesty's Government, to consent to measures to deprive the Proprietors under the original grants of their Estates, on the ground of their having Escheated to the Crown by reason of the non-fulfilment of conditions. applications have been resisted on grounds with which the correspondence between successive Secretaries of State and Lieutenant Governors of Prince Edward Island, especially since the year 1832, will render you sufficiently familiar. It is only my purpose now to state, that Her Majesty's Government feel themselves bound to adhere to the decisions so repeatedly adopted by my predecessors in this matter, and to state, that, both on the grounds of justice to the Landed Proprietors, and of the permanent interests of the community of Prince Edward Island, they regard such a measure as impracticable. Nor on the other hand, could they consent to entertain any measure, such as has occasionally been suggested, for buying up and extinguishing the rights of Proprietors, or any portion of them, at an expence to the Imperial Treasury.
- 3. The subsisting rights of parties cannot, therefore, be altered in any other manner than by that of equitable adjustment; and while the law continues as at present, it is your duty to enforce obedience to it, by

the firm exercise of the authority entrusted to you, and by the employment, if necessary, of the military force at your command; should any extreme case occur, you may even apply to Sir John Harvey for an additional force to put down any attempt at resistance to the Law.

- 4. But while thus maintaining the Law, you will also use all the influence which you may possess, to induce the owners of land and their tenants to come to an amicable arrangement with each other, and give your best assistance, with a view to passing any Legislative measure which may be required to complete such arrangement: but you will not fail to recollect, and to impress upon the Legislature, the necessity of abstaining from the introduction into such Laws of any provisions which may infringe on the rights of property.
- 5. You will, I trust, experience no difficulty in convincing both the Legislature and the people of the Colony, that a strick respect to those rights is required not by justice only, but also by a regard for their own true interests. It is obvious that an influx of capital and settlers, by tending to raise the value of property, would be most beneficial to the Colony, and to all classes of its inhabitants. Prince Edward Island. possessed, as it is, of great natural advantages, which are becoming better known in this country than formerly, is likely, at no distant time, to attract emigrants and capital, if the policy adopted by the Legislature is not such as to discourage them. But nothing would tend more to this unfortunate result than the sense of insecurity, which must infallibly be created by any attempt of the Legislature to pass laws bearing unjustly on the owners of landed property, even if the attempt were frustrated by the refusal of Her Majesty's allowance of it, which it would be the duty of Her Government to advise Her to withhold in such a case.

I am, Sir,

Your most obedt. servt.,

(Signed)

GREY.

Licutenant Governor

Sir Alexander Bannerman