the pensioners while on duty, the arrangement would be the best that could be suggested in the interests alike of the pensioners and of the colony. He would be glad to be furnished with the early opinion of Mr. Sidney Herbert on the subject.

I am, &c. (Signed) NEWCASTLE.

## Sub-Enclosure 2.

Sub-Enclosure 2.

PRINCE EDWARD'S

ISLAND.

Stn.

War Office, 26th October 1854.

WITH reference to your letter of the 4th instant, I am directed to state that the Secretary-at-War concurs in the opinion of his Grace the Duke of Newcastle, as to the advantages which are likely to be derived from the formation of a small corps of pensioners in Prince Edward's Island, but as the number of men resident there, and of a fit age for that duty, is only between 20 and 30, the force would have to be made up chiefly of volunteers from this country, and the probability of obtaining them would of course in a great measure depend upon the encouragement held out to settle there. It would appear, from the report of Lieutenant-Colonel Tulloch in 1850, that much facility might be afforded in this respect by the settlement of pensioners on an Ordnance reserve, called the Warren Farm, containing about five hundred acres, adjacent to Fort Amherst, which commands the entrance to the harbour.

This land has been let by the Ordnance Department at 1s. a year, till required for public purposes, and, if divided among one or two companies of pensioners, it would form a great inducement to them to settle there, and afford the required protection to the colony.

In order, however, to prevent any of the difficulties which have arisen in regard to the Canada Reserves, it would be necessary, in the first instance, to ascertain whether the Ordnance Department is ready to give over this ground for the purpose referred to, and whether they are aware of any obstacle to its being so applied. This point being settled, a small allowance of 3L or 4L a year to each pensioner to provide himself with a cottage, or an advance for the purpose of erecting one, would probably be sufficient to secure the required number of volunteers, who could be called out occasionally for exercise, as in this country, so as to be always ready for duty when wanted. If any of them had to be kept upon duty for a few days, the cost would be from 2s. to 2s. 6d. a day, but such an occasion would, it is presumed, be of rare occurrence, so that the whole expenditure of the force, including that of an officer to command them, would probably be no more than could readily be met by the colony.

The Secretary-at-War will be ready to enter into a further consideration of the terms which should be offered to these men, when he ascertains if this reserve will be available, and should it prove to be so, he would suggest that it might save time, if the Ordnance Department were at once directed to intimate the intention of the Government to resume it for the settlement of pensioners.

I have, &c. B. HAWES. (Signed)

Sub-Enclosure 3.

War Department, 4th November 1854.

Sir, THE Duke of Newcastle having had occasion to refer to the Secretary-at-War, for information as to the practicability of enrolling a small corps of pensioners for service in Prince Edward's Island, in substitution for the detachment of Her Majesty's troops lately withdrawn from thence, I am directed to transmit to you the enclosed extracts from a letter received from the War Office on the subject; and I am to request that in laying the same before the Board of Ordnance, you will signify to them his Grace's wish to be informed whether the Ordnance reserve therein referred to, can be rendered available for the settlement of such pensioners, as suggested.

Should no valid objection exist to the lands comprising this reserve being thus applied His Grace concurs with the Secretary-at-War, as to the expediency of notice being given by the Board to the party or parties concerned, of the probability of those lands being early required for public purposes, and of their being resumed with that view.

I am, &c.

G. C. MUNDY. (Signed)

## Sub-Enclosure 4.

Sir,

Sub-Enclosure 4.

Office of Ordnance, 30th December 1854. In reference to your letter of the 4th ultimo, and its enclosures, relative to the appropriation of a piece of Ordnance reserve land at Prince Edward's Island, called "Warren Farm," for the settlement of pensioners, I have the honour, by command of the Board of (289.) C 3

Sub-Enclosure 3.