

INLAND REVENUE DIVISION OF
MONTREALOperations during the year, ended 30th
June, 1869 —

	In Bond 30th June, 1869.	Manufactured at Montreal, June 1869	Received in Bond from other places.	Duties collected at Montreal.	Removed in Bond.	Exported.	Remaining in Bond 30th June, 1869.
Spirits.....cails	166,481	869,724	584,452	\$368,205 11	42,306	3,228	340,158
Tobacco.....lbs	591,318	2,723,925	1,493,739	1,143,372 90	1,410,708	72,614	693,605
Wine.....do	32,810	59,789	2,443	5,244 30	.....	.....	40,162
Cigars.....M	111,12	1,931 6	2,018 2	4,657 55	.....	.....	28 1
Leat Tobacco.....lbs	153,651	.....	7,767	388 80	121,013	7,619	42,181
Malt.....lbs	1,637,416	7,183 573	Ex-Factories	1,364 30	.....	.....	1,143 906
Malt Liqueur.....cails	.....	2,008 774	5,171,883	51,718 89	.....	.....	.....
Petroleum.....cails	.....	3,088	361,978	11,764 25	.....	.....	.....
Goods manufactured in Bond —	.....	74,476	33,462	1,673 12	.....	.....	24,102
Duty on.....	.....	.....	.....	2,096 86	.....	\$30	.....
Seizures, \$3,693.37. Licenses, \$2,570, &c.....	.....	.....	.....	7,472 74	.....	.....	.....
Total.....	.....	.....	.....	\$308,901 22	.....	.....	.....

INLAND REVENUE DIVISION OF
MONTREALOperations during the half year, ended 31st
December, 1869 —

	In Bond 30th June, 1869.	Manufactured at Montreal.	Received in Bond from other places.	Duties collected at Montreal.	Duty.	Removed in Bond.	Exported.	Remaining in Bond 31st Dec., 1869.
Spirits.....cails	340,158	34,781	259,188	536,432	\$337,984 04	25,378	2,164	70,102
Tobacco.....lbs	693,635	2,029,133	172,560	1,057,977	103,634 34	1,203,802	61,626	581,982
Wine.....do	40,162	3,700	.....	2,478 95	2,478 95	.....	.....	19,072
Cigars.....M.	28 1	1,301 15	.....	1,329 25	2,832 65	.....	.....	.....
Leaf Tobacco.....lbs	42,781	.....	90,808	2,459	1,222 95	112,927	.....	18,203
Malt.....lbs	1,143,966	2,070,719	.....	Ex-Factories	1,996 95	.....	.....	613,713
Malt Liqueur.....cails	.....	9 449	.....	2,581,032	27,810 32	.....	.....	.....
Petroleum.....cails	24,102	706	318 936	46 114	1,498 70	18,258	43,619	7,172
Goods manufactured in Bond —	.....	.....	.....	274,785	13,739 39	.....	.....	.....
Duty on.....	.....	.....	.....	.....	571 80	.....	.....	.....
Seizures, \$2 800; Licenses, &c.....	.....	.....	.....	.....	3,247 99	.....	.....	.....
Total.....	.....	.....	.....	.....	\$493,917 99	.....	.....	.....

are known to many of the Islanders. The terms appear to be exceedingly liberal to the Colony. Besides relieving the Island of the expense of maintaining its most expensive departments, Canada proposes to maintain efficient steam communication between the Island and the Dominion in winters well as summer; it offers a liberal allowance to meet all local expenditures, it guarantees \$800,000 which the Island may expend in buying up the lands held by the large non-resident proprietors, it provides for the payment to the Island of a large sum, or interest thereon, owing to the smallness of the debt with which the Island would enter the Union; and makes other provisions not less satisfactory.

REPORT OF A COMMITTEE OF THE HONORABLE THE PRIVY COUNCIL, APPROVED BY HIS EXCELLENCY THE GOVERNOR GENERAL IN COUNCIL ON THE 14TH DECEMBER, 1869:—

The Committee of Council have had under consideration a memorandum, dated 11th of December, 1869, from the Hon. Sir George E. Cartier and Messrs. Tilley and Kenny stating that at the desire of their colleagues they visited the Island of Prince Edward in August last, and having while there had an opportunity of discussing informally with members of the government and other leading public men the question of the political union of the Island with the Dominion, and having, in view of the importance of establishing a basis on which such union can be effected, carefully considered the question under its financial aspect, they have come to the conclusion that the following proposals, which they submit for the concurrence of the Council, should form the financial basis of such union, viz:—

1. The Dominion Government will assume and defray all charges for the following services, viz:

The salary of the Lieutenant Governor.
The salaries of the Judges of the Supreme Court, and District or County Courts when established.

The charges in respect of the Department of Customs.

The Postal Department.

The Protection of the Fisheries.

The Provision for the Militia.

The Light Houses, Shipwrecked Crews, Quarantine, and Marine Hospitals.

The Geological Survey.

The Penitentiary.

Efficient steam service for the conveyance of mails and passengers to be established and maintained between the Island and the Dominion, winter and summer, thus placing the Island in continuous communication with the Intercolonial Railway and the railway system of the Dominion;

And such other charges as may be incident to and connected with the services which, by the British North America Act, 1867, appertain to the general government, and as are or may be allowed to the other Provinces.

2. Canada to be charged with the debts and liabilities of the Island existing at the time of the Union.

3. That the Island, not having incurred debts equal to those of the other Provinces now constituting the Dominion, shall be entitled to receive by half yearly payments in advance from the general government interest at the rate of five per cent per annum on the difference between the actual amount of its indebtedness and the indebtedness per head of the population at which Nova Scotia and New Brunswick are now allowed in the Union, or the payment of such difference in five per cent government bonds payable in London, as the Island government may elect, taking the population of the Island in 1861 as the basis of the calculation.

4. The Dominion Government to pay \$26,000 per annum to the Island to meet the expenses of the Local Government and Legislature.

5. An annual payment to be made to the Island Government equal to eighty cents per head of the population, to be augmented in

JAPAN SHIPMENTS VIA PACIFIC RAILROAD FOR FRANCE.—The steamship *China*, which arrived at this port on Sunday from China and Japan, brought 3,600 cards of silkworms' eggs which are going through to New York via the Pacific Railroad. Their destination is Lyons, France. If this experiment of shipping silkworms' eggs by the American route is successful, we are told that all exportations of them will in future be sent by way of San Francisco and New York. Although occasional shipments are made at other times, the early spring is the general season for the export of silkworms' eggs from Japan. The most of them are sent to France from Italy. The French mail steamship despatch a special steamer annually with a cargo of them, which are sent to France via the Isthmus of Suez. The steamer is specially fitted up in compartments, and is provided with heating apparatus to maintain an equable temperature. If eggs are to be shipped by the American route, special cars will be necessary to carry them. The Pacific Mail Company has already signified its willingness to make all the necessary arrangements for the care of the eggs while on the steamers. The French shippers are dissatisfied with their experience in shipping the eggs via the Isthmus of Suez, and have voluntarily tried the experiment of a shipment across the American continent. They desire to continue to ship by that route, and we hope every facility will be afforded them in doing so.—*San Francisco Bulletin*.

PRINCE EDWARD ISLAND AND THE
DOMINION.

THE TERMS OFFERED BY THE CANADIAN GOVERNMENT.

It has already been stated in these columns, says the *St. John, N. B. Telegraph*, that for some days past the Government of Prince Edward Island have been in possession of the proposals looking to Union which the Government of Canada were disposed to offer. These terms, for proper reasons, were not at once communicated to the public. Having reached the Administrator of the Island Government, they had first to be submitted to the members of the Government for their consideration; but these gentlemen were not all present at Charlottetown, and, hence, a slight delay has arisen in communicating the information to the body of the people. We have reason to believe that by this time the terms