

"That it is expedient to authorize the Governor, by and with the advice of the Privy Council, to enter into such negotiations and to make such arrangements as he may deem expedient with the Government and Legislature of Prince Edward Island, with a view to the admission of that Colony into the Dominion, including in such arrangements provision for the acquisition of the disputed proprietary rights of the original grantees of the Crown of the lands in the said Island, for the purpose of effecting a commutation of tenure in favor of the tenants of such grantees on fair and liberal terms.

"That it is expedient to authorize the Governor in Council to make such fiscal arrangements as to him may seem requisite for the purposes mentioned in the next preceding Resolution, and to raise by loan, or otherwise, on such terms, for such period, at such rate of interest, with such sinking fund, and subject to such conditions as he may think advisable, such sum as he may find necessary for the said purposes; and that any such loan be a charge upon the Consolidated Revenue Fund of Canada.

"That all such arrangements shall be subject to the approval of Parliament."

Certified.

Wm. H. LEE,
Ck. P.C.

COPY of a 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 December, 1869, from the Honorable Sir George Et. 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 the 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:—

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

A.—The salary of the Lieutenant Governor.

B.—The salaries of the Judges of the Supreme Court, and District or County Courts when established.

C.—The charges in respect of the Department of Customs.

D.—The Postal Department.

E.—The protection of the Fisheries.

F.—The provision for the Militia.

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

H.—The Geological Survey.

I.—The Penitentiary.

J.—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 B. N. A. Act, 1867, appertain to the General Government, and as are or may be allowed to the other Provinces.

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

3rd. 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