

PRINCE
EDWARD'S
ISLAND.

6th January 1855.

* Page 19.

place of the detachment of troops recently withdrawn from Prince Edward's Island.

I transmit for your information the copy of a letter addressed to this department by desire of the Duke of Newcastle, enclosing copies of a correspondence between His Grace's department and that of the Secretary at War, and adverting to my Despatch,* No. 22, of the 17th of November, I have to instruct you, unless you should have addressed to me a communication rendering further reference to the Legislature unnecessary, to bring the subject under the consideration of that body, and to report to me its views on the several proposals for the defence of the island.

I have, &c.
(Signed) G. GREY.

Encl. in No. 22.

Enclosure in No. 22.

SIR,

War Department, 6th January 1855.

I HAVE laid before the Duke of Newcastle your letter of the 27th ultimo, transmitting by desire of Secretary Sir George Grey, with a view to his Grace's advice as to the steps to be taken thereupon, a Despatch from the Lieutenant-Governor of Prince Edward's Island, dated 28th November, with its enclosed extract from Minutes of the Executive Council, expressive of the opinion of that body, that "if it be the decision of Her Majesty's Government to order a company of pensioners to be raised for service in the island, and to be maintained at the expense of the Imperial Government, such a measure would be gratefully received."

Sir George Grey is aware, from my letter of the 7th November, that under an impression, derived from previous despatches of Lieutenant-Governor Daly, (11th September, military, confidential; 10th October, military) that the description of force which would be most acceptable to the Colonial Legislature would be a small corps of fencibles, on the model of that in Newfoundland, and that the local government were prepared to defray all charges connected therewith, the Duke of Newcastle proposed to detach from Newfoundland for service in Prince Edward's Island, a company of about 50 men with two officers. It appears, however, from the Lieutenant-Governor's present despatch, that the further information with which he had been supplied regarding the expenses attendant on this arrangement, has satisfied him that the interests of the colony will be best consulted by reverting to the original scheme for the formation of a corps of pensioners, as a substitute for the troops withdrawn.

I am to transmit to you for the information of Sir George Grey, copies of the correspondence which has already passed between this department, the War Office, and the Ordnance on this subject; and to state, that until the result of the reference made to the colony, by the Board of Ordnance, respecting the reserve on which it is proposed to settle the pensioners, shall have been ascertained, no step can advantageously be taken for procuring volunteers for this service.

Sir George Grey will learn from the letter of Mr. Hawes, dated 26th October, the probable expense of employing these pensioners, which His Grace conceives will not amount to more than the colony can be properly called upon to defray from its own revenues.

His Grace would suggest that this correspondence should be communicated to the Lieutenant-Governor, in answer to his despatch.

I am, &c.
(Signed) G. C. MUNDY.

War Department
4th Oct. 1854.

War Office,
26th Oct. 1854.

War Department,
4th Nov. 1854.

War Department,
30th Dec. 1854.

Sub-Enclosure 1.

Sub-Enclosure 1.

SIR,

War Department, October 4th, 1854.

I AM directed by the Duke of Newcastle to transmit to you, for the consideration of the Secretary-at-War, the accompanying copy of a Despatch with its enclosure received from the Lieutenant-Governor of Prince Edward's Island, in reference to the embodiment of a small corps of pensioners, as a substitute for the detachment of Her Majesty's troops about to be withdrawn from that island.

His Grace perceives from the report of Captain Tulloch, addressed to the War Office, under date 1st October 1850, giving the result of his inspection of the pensioners in this and the other North American provinces, that Prince Edward's Island is stated to present advantages for the location of pensioners superior to those possessed by any other colony and his Grace hence concludes that, provided the Local Legislature be willing to place at the disposal of the Lieutenant-Governor the sum requisite for the pay and maintenance of