

coast, and payment was refused by all. As he states that in the Straits of Belle Isle alone, he found "nearly 150 vessels" engaged in the fisheries, the whole number on the coast would not be so few as 500—of these he claimed duties from five only. The sixteen harbours he visited were those in which English merchants have their establishments, and it is from these alone that duties would or could be exacted; the other harbours, numbering several hundreds, being unvisited.

Mr. Prendergast also gives in his report a statement of the resident population on the Labrador coast in 1850, from the Straits of Belle Isle to Sandwich Bay, the more frequented part of the coast, and extending about 150 miles. The whole number of residents was 1553, settled in 58 "places," and the number of "dwellings" distributed as follows:—

16	"	"	1	dwellings.
15	"	"	2	"
11	"	"	3	"
11	"	"	5	and under 10 dwellings.
3	"	"	10	" 20 "
1	"	"	—	— 22 "
1	"	"	—	— 31 "

And the place with 22 dwellings is Sandwich Bay, comprising a coast line of 60 to 80 miles; and that with 31 dwellings, the whole of the Battle Islands, and the extensive Bay of St. Lewis. Nothing, we think, can show more forcibly than this statement the absurdity of the proposed system of collectors, sub-collectors, court, judges, bailiffs, &c., and, as has been already explained, it would in practice be as unjust and partial as it is absurd.

As soon as your Grace shall have come to a decision on this subject, we shall be obliged by being informed of it, for the information and guidance of all parties in the United Kingdom interested in the Labrador trade and fisheries.

His Grace the Duke of Newcastle, K.G.,
Colonial Office.

We are, &c.
(signed) *Hunt and Henley.*

Enclosure 2 in No. 2.

Gentlemen,

Downing Street, 16 August 1863.

Encl. 2 in No. 2.

I AM directed by the Duke of Newcastle to acknowledge the receipt of your letter of the 11th instant, and to acquaint you that the subject to which it relates is still under the consideration of Her Majesty's Government.

Messrs. Hunt and Henley.

I am, &c.
(signed) *T. Frederick Elliot.*

Enclosure 3 in No. 2.

My Lord Duke,

8, Broad-street Buildings,
London, 26 August 1863.

Encl. 3 in No. 2.

WE duly received Mr. Elliot's letter of 18th inst., informing us that the question of Newfoundland duties in Labrador was still under consideration. A letter has since reached us from Messrs. de Quetteville, of Jersey, advising that a collector from Newfoundland had arrived at one of the harbours in Labrador, and, being refused payment of duties by all the merchants' agents, had commenced by forcing open the stores and seizing the goods of Messrs. Boutillier & Co. Messrs. de Quetteville inquire "if we think it likely the Secretary for the Colonies will be induced to interfere," and we shall be obliged if your Grace will enable us to answer this inquiry.

We much fear that this commencement of violent proceedings will, as we pointed out to your Grace in June last, be followed by more serious occurrences. As the collector proceeds northwards on the coast, he will meet with the fishers and traders of the British American Colonies and the United States. These latter, especially, we know from our personal communications with them, formerly considered, and doubtless do so now, that their treaty rights of fishing and curing fish implied and included that of landing and consuming, free of all duties and imposts, all requisite articles and supplies for the men employed. They stated also, that this was the view of the subject taken by the United States' Government. The attempt to enforce duties on them will therefore, in all probability, be resisted by force, and conflicts thus arise which may end in loss of life, and would certainly be attended with very serious consequences. With such prospects before us, we have thought it our duty to represent once more the position and probable results of this interference of the Newfoundland Legislature.

We are, &c.
(signed) *Hunt & Henley.*

His Grace the Duke of Newcastle, K.G.,
Colonial Office.