

NEWFOUNDLAND.

in one chamber, of the representatives of the people, and the nominees of the Crown. I am strongly of opinion, that half the difficulty of governing small colonies arises out of the feuds and jealousies engendered by contests about the privileges of the two Houses, and the necessity in which the Crown finds itself of establishing a certain counterpoise to the democratic spirit in a separate Council, rather than in the body of a single legislative Assembly. I should be glad that you should consider, with reference to past events, the practicability of introducing such an alteration into the constitution of Newfoundland, and the effect of amalgamating the Council and Assembly, the members of the former being to the latter in a proportion of about two to three.

Whether with one chamber or with two, the Government will always have to contend with the difficulties arising out of the conflicting interests of two great classes of the community (independently of religious distinctions), the commercial and the resident class ; and although it may be true that, taken broadly, these interests must act and re-act upon each other, yet each will have separate objects to pursue, and separate views to promote, either by expenditure of public money or by imposition of public taxes. The former of these classes, up to a recent period, monopolized the power, as they possessed the whole capital of the island, which it was their avowed object to consider merely in the light of a fishing station. In pursuance of this policy, internal improvements were discouraged, and the island itself was looked upon as subservient to the interest of trade alone. The gradual increase of population has led to the formation of a rival interest, which has now obtained a large share of political power, which it desires, not unnaturally, to direct towards the furtherance of its own objects.

If the power of this resident interest predominate, as with a low qualification I apprehend it may in the House of Assembly, its objects will naturally be the expenditure of large sums of public money on the improvement of internal communications, and the increase of local advantages to be obtained by taxation upon the British merchant and British trade.

I am far from saying, that the object within reasonable bounds is not a legitimate and praiseworthy one ; but it is one which may easily be carried to an extreme, at least, as prejudicial as the opposite policy which has guided the mercantile class. The balance between these interests requires to be held with a steady hand by the executive.

I apprehend that the union of the two Houses would enable the Governor to hold this balance with comparative ease ; but I am certain that with this, among other objects, it will be necessary, in any modification of the constitution, to reserve to the Crown, as in England, and as recently in Canada, the exclusive right of originating all grants of public money. In the interval which must elapse before the Legislature can be again called together (more especially if you are decidedly of opinion that a summer sessions is impracticable), I shall hope to receive from you full information as to the state of the public revenue and expenditure, and of the objects to which you conceive that the former may be most advantageously applied. Your despatch, now before me, gives a more favourable report than I was prepared to receive of the capabilities of the island in point of soil and climate, which I shall rejoice to find that you are able to confirm upon further investigation. I shall receive with interest the further communications which you lead me to expect on these subjects ; and you may rely upon my cordial co-operation, and that of Her Majesty's Government, in any measures which may seem to hold out a reasonable prospect of developing and increasing the resources of the remote, but not unimportant portion of Her Majesty's dominions which is intrusted to your charge. Into these topics, on the present occasion, I shall decline to enter, my object having been to address myself to the subject of the political changes which it may be necessary to introduce into the constitution of the colony, and in which I shall hope to receive, at your earliest convenience, such further and more detailed reports as longer experience and mature consideration may enable you to furnish.

I had almost omitted to say that if the colony will supply materials, I should approve of your proposed separation of the executive and legislative functions, and of the mode which you suggest for the constitution of the executive Council.