

Nothing can be more cautious and considerate than the orders under which Lieutenant Knocker acted, and I have no doubt the seizure was fully justified.

Looking, however, to the present position of matters, I most entirely concur in the view that it is expedient to release the "Ellen," provided the parties interested will acknowledge the justice of the seizure, and exonerate the captors and all parties concerned from all liability whatsoever

I considered that any proposal to take this course ought to originate with your Excellency, and I did not therefore venture to suggest it myself.

I shall cause an official letter to be addressed to the Advocate-General at St. John, and to the Collector at Bathurst, saying that, after communication with your Excellency, I wish this course to be pursued, and direct them to act accordingly.

It will of course be necessary that the expenses incurred by the custody of the vessel and other proceedings, should be defrayed by the master or owner.

I cannot conclude this despatch without expressing my great satisfaction at the result to which our correspondence has in this instance led.

I have, &c.
(Signed) EDMUND HEAD.

Inclosure 3 in No. 43.

Lieutenant Knocker to Rear-Admiral Fanshawe.

(Extract.)

July 22, 1854.

I RETURNED to Chaleur Bay on the 20th, and the following day proceeded up to Caraquette, where I found twenty-seven vessels fishing.

One vessel I found in the act (the "Montezuma" of Gloucester) the lines being still over when I boarded. Having already been on board and warned the master on the 29th ultimo, and he having nothing to offer in his defence, and owned his vessel to be a lawful prize, I detained her for a short time, but, on consideration of your Excellency's instructions regarding seizures, I released her, but made the master give me a written statement that his vessel was lawfully detained. But I believe that, without an example being soon made, encroachment will take place to a great extent.

Inclosure 4 in No. 43.

Lieutenant Knocker to Rear-Admiral Fanshawe.

(Extract.)

July 25, 1854.

I HAVE the honour to inform you that I left Port Daniel on the morning of the 24th instant, and proceeded towards Miscow Island at 11.40 A.M. I observed a schooner a-head hove to; I stood for her, and on wearing, saw she was evidently fishing, being hove to on starboard tack, crew at the weather rails, and appeared to be throwing something overboard. At 12.38 P.M. she bore up for the mouth of the Bay; I then fired a blank cartridge, and, as she took no notice, about five minutes after a shot wide a head of her, on which she hove to showing American colours. At 12.50, head off shore. At 1.15 P.M. I boarded and found her to be the American schooner "Ellen," of Salisbury, Ezra Morrill, master, and part owner with George Morrill and Francis Kenniston.

The master stated that he was waiting for his boat sent into Miscow; on proving that not to be the case, he stated he was waiting for a vessel off Point Miscow, and then that he had come up for water. (When brought to, she was running out of the Bay, and from Miscow Head.)

I asked his reasons for having had lines over, which he denied. I showed him all the lines were wet, as also the deck. In a tub or cask were three codfish, quiet fresh, as also some mackerel, but the latter were in pickle; also on deck I found the gills of a mackerel quite fresh and bleeding, and one of the crew having told John Smith, one of the "Alice Roger's," they (the crew) had only fished a short time; and lastly, the master, having offered me a sum of money to release him, stating having read on the papers, the Americans were allowed to fish anywhere now, and having already boarded the Ellen at Pine on the 6th instant, and warned her master not to fish within the limits prescribed by the Treaty of 1818, I considered the case perfectly clear against him. I have therefore detained the "Ellen," and brought her to Bathurst, being the nearest port with a Custom-house, according to your instructions. The bearings and soundings when I boarded her