it was his policy to get up the affair as an elec tioneering dodge, and that nothing more would he heard about it. Governor Dundas seems to eave been of the same opinion, for he says: "Any anquiry from the Colonial Government, as to its tuthority to enter into any particular or exceptional arrangement or agreement with the United States, must be answered in the negative. But apart from the general principles involved, the Lieutenant Governor is of opinion that the members of the Council have over-rated the immediate effects of the proceedings of Congress in this matter." It is evident that His Excellency looked upon the matter in the same light as some of our neighbors in the Dominion, who thought the idea of the United States entering into a treaty with little Prince Edward, preposterous, and that it was all a ruse; but I am happy to inform you that such is not the case. General Butler is always sincere in his public doings, and it is not likely that such a man as he would come all the way down here, for the sake of deceiving us, that he might gain his election. I see, by a paper I have in my hand, that Congress has sanctioned the report of the Congressional Committee. In the Toronto Globe, there is a long article upon this Island, showing that this is about to become an important question. It goes on to say that Gen. Butler came down to little Prince Edward Island on an electioneering expedition, but that the result of his visit is now receiving a good deal of consideration in Congress, &c.

Hon, Mr. Howlan. - A considerable part of the report of the Congressional Committee was copied by Secretary Welles, and placed in his report.

Hon Mr. Davies .- The Globe says that the affair is now about to become a serious one, for Congress has proposed a series of resolutions, stating their willness to negociate for free-trade with this Island. For my own part, I believe we are at present in a capital position, and I am glad that there is some prospect of a favorable answer from the British Government. I believe the Home Government have had the matter under consideration, and that some proposal from the United States had been received by the Imperial authorities. I would say, to all those who wish either Confederation or Annexation, that I want neither the one nor the other. Every person who gives the matter much consideration, must be aware that we shall do better by retaining our present status and by keeping our present position. have a good prospect of obtaining free trade with the United States, and when that is once secured none of the other Provinces will be in a better position than our own. I believe that the great body of our people are advancing rapidly, even under the ill-treatment of Great Britain, and that the country will gain, in spite of all its losses. Our farmers have increased their wealth doubly within the last seven years, and there is every

time for it is yet a great way off. When the whole of the Colonies are agreed to become part and parcel of the United States, Great Britain will throw no obstacle in their way. Powerful as the Americans think themselves, they are not strong enough to take these Provinces from Great Britain. An American gentleman tolu me, not long since, that the people of the United States knew their position too well to interfere with these Provinces; that it was time enough yet for the latter to go into the Union, and that when we get better acquainted with them, we will seek, by our own accord, to unite with them, and when that takes place we will be received by them. I should not like to submit a resolution on the subject of free trade, because I do not know whether the Government have not some scheme of their own, relating to this matter. Whenever there is a will there is a way.

Hon. LEADER OF THE GOVERNMENT. - I may here state that the Government have taken no steps on the matter.

Hon. Mr Davies .- If we can get free trade without trampling on the rights of the Imperial Government, it will not be withheld from us. We have still some power left in our hands and as the British Government allowed us to grant the privilege of fishing in our waters to American fishing vessels, on their paying a certain amount as tonnage, and allow us to make use of the receipts, could not this House grant back to the Americans the money which they thus pay us? I would say, let the Americans pay us the license demanded and let us refund them the money again in the shape of a grant. If this can be done it will give the Americans all the advantages which are in our power to give them, and we shall be quite independent on the matter.

Hon. LEADER OF THE OPPOSITION .- I would ask the hon. member for Belfast (Mr. Davies) whether he would be willing to refund that money if the Americans did not remove their duty upon our mackerel.

Hon. Mr. DAVIES .- While the Committee of Congress were here there were certain stipulations made which they agreed to; they agreed to receive our produce into their markets duty free and they only ask for the privilege of fishing in our waters in return. If we can carry out the scheme I have proposed, we can then say, "Fish away boys, fish away; your money shall be refunded." For my own part, I cannot see why this idea could not be carried out. A good deal has been said on the manner in which the Congressional Committee made approaches to us on this matter. It is but natural for the members of a Republican Government to suppose that the first movement in such a scheme should come from the representatives of our people and, therefore, it was on that principle they came here. They wished first to ascertain our feelings prospect that with the advantages of free trade on this matter; and it seemed very natural, they will advance still more rapidly. I believe An || right and proper that they should do so. As the nexation will never be obtained without the as- || Congress of the United States have endorsed the sent of the Imperial Government, and that the actions of the Congressional Committee all that