

Grace may easily conceive that, on a coast embracing upwards of 400 miles, over which the jurisdiction of Newfoundland extends, as defined in my commission, that parts of that coast may be passed over by a Collector of Revenue in so short a time as his visit must necessarily occupy; and, in regard to partiality on the part of that officer either to occupants of establishments or transient traders, there is no motive for him but to act fairly towards all. He has been a considerable time in the Customs Service here, and is considered a faithful, honest man.

3. I enclose, also, a statement of the Articles on which duties were collected at Labrador, all embraced in the Revenue Act, and precisely the same as are levied at all the outports in the island.*

* Printed as an Appendix.

This statement was only received on the 9th May.

4. In reference to this subject, it has frequently occurred to me to ask whether Messrs. Hunt and Henley, and the other gentlemen who occupy large establishments at the Labrador, can hold them without any right or title further than occupancy for a period exceeding the time (25 years), which gives a permanent right to the occupier who may have been so long in possession. No one would think of disturbing these gentlemen; but it appears to me that the unsettled parts of the coast of Labrador should be put on the same footing with Crown lands in other parts of the Colony, and I believed that there was no prescription that could apply to Crown land.

I have, &c.,
(signed) *A. Bannerman*, Governor.

Enclosure 1, in No. 11.

Encl. 1, in No. 11.

(Extract.)

Custom House, St. John's,
25 February 1864.

WITH reference to the letter of Messrs. Hunt and Henley, of the 30th January, to the Colonial Office, on the subject of the collection of duties at Labrador. I beg to state that the charge therein contained against me is as unfounded as those made by them on a former occasion, to which I replied.

They state that within certain limits, viz. from Battle Harbour to Sandwich Bay, I only called at six or seven out of 100 harbours for the purpose of collecting duties, and that the merchants of the remaining 90 odd harbours escaped payment.

So far from this being true, I beg to state that within those limits I called at every harbour in which there were mercantile establishments, or any probability of business being transacted by traders, in all 20—viz., Salt Pond, St. Francis Harbour, St. Francis Harbour Bight, Venison Tickle, Indian Tickle, Long Island, Cartwright Grady, Battram, Square Island, Spear Harbour, Trap Cove, Matthew's Cove, Indian Harbour, Scrammy, Assize's Harbour, Occasional Harbour, Ship Harbour, Murray's Harbour, and Petty Harbour,—for the purpose of ascertaining if any duties could be collected.

Messrs. Hunt and Henley have endeavoured to make it appear that there is this large number of harbours in which trade in imports is carried on by merchants, and that those merchants have escaped payment of duties.

In the large number of harbours which I visited, I found that the business was confined (I may say) exclusively to Newfoundland traders, and that not a single foreign trading vessel or importing merchant was to be found in any of them, with the exception of one individual at Indian Tickle, who imported goods to a small extent from Canada, from whom I collected duties. I made diligent inquiries in each of the harbours I visited as to any others which I did not visit, and ascertained beyond doubt that the small amount of business carried on in these was also confined to Newfoundland people; so that had I visited every cove and creek within the limits spoken of, I would not have obtained a shilling of duties more than I did.

I beg further to call your attention to what I before stated in my report—viz. that, within the limits mentioned, I appointed three sub-collectors, whose authority extended over nearly the whole of that extent of coast; and upon my inquiring of them, when about to leave Labrador, they each one informed me that not a single instance of importation of dutiable goods had occurred within their districts, or anywhere along the coast, during the whole summer.

If any such result as that alleged by Messrs. Hunt and Henley arose from the manner in which I collected the duties (which I altogether deny), it is attributable almost solely to themselves; as I might perhaps have visited every harbour on the shore, though without any benefit, had it not been for the invariable opposition and obstruction which I met with from the resident merchants, in which I was assured Messrs. Hunt and Henley were throughout the chief movers, most active and determined, as well by inducing others as by their own acts: they having used every imaginable means, by intimidation, and every other species of hindrance, to delay and obstruct me in my duty, so that nearly the whole of the short period allowed me was spent in contending with the invariable and determined opposition I met with, directly and indirectly, from them.

I beg