Enclosure 2 in No. 6.

Downing-street, 5 December 1863.

Encl. 2 in No. 6.

I AM directed by the Duke of Newcastle to acquaint you that his Grace has had under his consideration the Act of the Legislature of Newfoundland, chapter I. of 1863, against which you have remonstrated, so far as it provides for the imposition and collection of duties on the coast of Labrador.

His Grace did not see anything in the various representations which he has received in opposition to this Act, which would have justified the unusual and expensive course of a

discussion before Her Majesty's Privy Council.

On the constitutional objections made to this Act his Grace consulted the Law Officers of the Crown, who are of opinion that it is competent to the legislature of Newfoundland to pass laws binding on the Labrador coast, and his Grace thinks it by no means unjust, but the contrary, that a revenue should be levied there sufficient to defray the expenses

incurred, or which ought to be incurred, by the Government on that coast.

With respect to the machinery of the Act, the Commissioners of Customs to whom that point was referred, are of opinion that the provisions of the law are not unnecessarily

Consequently his Grace has not felt at liberty to advise that Her Majesty should disallow this Act, which accordingly has been left to its operation. At the same time he considers that if taxes are to be imposed by the Newfoundland legislature on person inhabiting the Labrador coast, those persons should be enabled to send representatives ts the Newfoundland Assembly, and his Grace has accordingly recommended to the Governor that the Act regulating the representation should be so altered as to effect this object, so far as it can be effected by the mere alteration of the law.

Joshua le Bailly, Esq.

I am, &c. (signed) F. Rogers.

- No. 7. -

(No. 50.)

Copy of a DESPATCH from his Grace the Duke of Newcastle, K.G., to Governor The Duke of New-Sir A. Bannerman.

Downing-street, 31 December 1863.

I have the honour to acknowledge the receipt of your Despatch, No. 53,* of 31 December 1863. the 1st inst., accompanied by reports received respectively from the Collector of Revenue and the Judge of the district of Labrador, describing their visit to Labrador for the collection of the revenue and the administration of justice.

I have to express to you my approval of the letter written by your direction to M. Larmour, on the subject of the opposition offered by him to the collection

of the revenue.

I have, &c. Newcastlc.

— No. 8. —

(No. 51.)

Copy of a DESPATCH from his Grace the Duke of Newcastle, K.G. to Governor The Duke of New-Sir A. Bannerman.

Downing-street, 31 December 1863.

I have the honour to acknowledge the receipt of your Despatch, No. 54, * of the 31 December 1863. 1st instant, on the subject of certain representations which have been made to this Department by the Messrs, Hunt and Henley, respecting the collection of duties on the coast of Labrador.

With reference to your suggestion that the Act by which these duties are imposed should receive Her Majesty's sanction, you will, before the arrival of this Despatch, be in possession of the Order of Her Majesty in Council leaving it to its operation, which was transmitted to you by the mail of the 8th instant.

> Lam, &c. (signed) Newcastle.

castle, k.g., to Governor Sir A. Bannerman.

castle, K.G., to Governor Sir A.

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Bannerman.

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