

give the question of the Fisheries more than ordinary attention, in the hope that if we cannot by legislation do much good, we may, at all events, convince the people that unsuccessful fisheries, and the consequences attending them, do not arise from the fault or neglect of their rulers ; and I will direct to be laid before you two interesting Reports of Captain Hamilton, of H. M. S. "Hydra," and other information on this important question.

In close connection with the failure of the Fisheries (and, arising in a considerable degree from that cause,) wide-spread pauperism prevails to a fearful extent, which renders this Colony so remarkable an exception to other Dependencies of the British Empire, that I think it demands your most serious consideration. The means adopted by the Government to alleviate cases of real distress, and, at the same time, to repress as much as possible that spirit of dependence upon Government aid, which, with its attendant evils, is unhappily so prevalent amongst us,—will be submitted for, and I trust, will meet with, your approval. The amount of the expenditure, with the documents connected therewith, and all information required by the Legislature on that important subject, will be furnished by the Government.

Of a character secondary in importance to our Fisheries and our Poor, there are other subjects that will require your consideration ; amongst others, the necessity which exists for providing some means for the better Administration of Justice on the Labrador ; and, it being only reasonable that this want should be supplied, and that those who will benefit by such provision should contribute to its cost, the residents there were, during the past summer, notified that it was the intention of the Government, in the ensuing season, to collect Customs' Duties, and to establish a Court of Justice amongst them. I observe that my predecessor, Governor Darling, strongly recommended (no doubt with the approval of the late Government,) that the Legislature should pass such a measure. Your sanction will be asked to the necessary enactments to carry it into effect, and I trust it will be granted.

I have been frequently asked whether any new Contract has been entered into with the Galway Company for direct Steam Communication with Great Britain, and if so, how the interests of this Colony will be affected by such Contract. In reply, I could only say that, as yet, I have no information on the subject ; but, when any intelligence reaches me from Her Majesty's Government, it shall be immediately communicated to you. There is another subject connected with Steam Navigation, in which most, I may say all, of you, take a deep interest. I allude to Local Steam Communication with the Outports, and consider it advisable that you should be made aware of the position in which the Government consider themselves placed relative to that question ; and, in doing so, it will be necessary briefly to revert to the commencement of Steam Navigation with the Outports. A few years ago, a Steam Vessel named the "Victoria," then in the employment of the Telegraph Company, commanded by an active and enterprising individual, undertook to carry goods and passengers North and South from St. John's. Doubts arose