

The usual Financial Statements will be laid before you. After the intimation I have already made, you will not be surprised to find that the ordinary revenue actually collected, amounting altogether to £100,000, presents a large surplus over the expenditure on account of the service proper to the year.

This and the other favorable results of your fiscal policy, with the indications of future progress to which I have adverted, may perhaps suggest to you the enquiry, whether the principles of Free Trade might not be advantageously extended, by admitting, duty free, from whatever country imported, those articles which are now exempted only, when the growth, produce, or manufacture of the United States or of Great Britain, or the British North American Colonies.

The simplification and consolidation of the tariff would be one valuable result of such a measure; and if the existing rates of duties should be found susceptible of such further alterations and adjustments as would compensate for the diminution of revenue, if any, which its operation might produce, the only consideration which appears to throw doubt upon the expediency of its adoption would be satisfactorily dealt with.

*Mr. President, and Honorable Gentlemen of the Legislative Council :*

*Mr. Speaker, and Gentlemen of the House of Assembly :*

I shall cause to be laid before you the Reports I have received from the Officers who were appointed in the course of last summer, to investigate and report upon the trade and resources of the Southern coast of this Island; and that part of the Labrador which is within the jurisdiction of the Governor of Newfoundland; and to collect statistical information generally.

Taking advantage of suitable means of conveyance and of the first opportunity which the season and the course of public business, since the commencement of my administration permitted, I have myself visited, during the recess, most of the Outports of the Island and several harbors of the Labrador.

The result of my inspection and enquiries on these occasions, has been fully to confirm the impression I had previously received of the great value of our Fisheries, and their remarkable adaptation in their various branches, as the main occupation of our people, to the peculiar physical characteristics of the Country:—and to convince me of the correctness of the opinion I had formed, as to the magnitude and character of both the Import