- No. 5. -

(No. 40.)

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

No. 5. castle, K. a., to Governor Sir A. Bannerman: 2 November 1863.

Downing-street, 2 November 1863. WITH reference to my Despatch, No. 33* of the 14th of September, enclosing copies of a correspondence with Messrs. Hunt and Henley, relative to the collection of duties on the Labrador coast, I have the honour to forward to you for your information a copy of a further letter which has been received from

Messrs. Hunt and Henley on the same subject.

* Page 30.

Enclosinres.

Messrs. Hunt and Henley have been informed that their letter has been for-

I have, &c.

(signed) Newcastie.

Enclosure 1 in No. 5.

8, Broad-street Buildings, London, 28 October 1863.

Encl. 1 in No. 3.

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warded to you.

WE duly received your letter of 14th ultime,* and in reply:—It is possible, though not in accordance with the advice obtained by the memorialists, that the Newfoundland Legislature may, on a narrow legal view, be competent to impose duties in Labrador; but, assuming this, it is, under the circumstances, certainly unconstitutional and unjust; and if duties are to be levied on the coast they should be paid by all frequenting it, whether from Newfoundland or elsewhere. It will, doubtless, be said that the Newfoundland fishermen have already paid duties in Newfoundland, but this is equally the case with the English, Nova Scotian, and other fishermen, who, of course, pay duties at home to their respective Governments. All frequent the Labrador coast, alike during the fishing season, and leave it when the season ends, and all should contribute equally to duties if they are to be levied.

Your suggestion that the question should be tried at law is one which the memorialists are most anxious to adopt, in case the collector, or anyone responsible for his acts, can be

found within the jurisdiction of our English courts.

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With reference to the statement that the duties have this year been collected without resistance, we can state, on the authority of the collector himself, that he was accompanied by Her Majesty's ship "Vesuvius" to enforce the payment along part of the coast; and that, from the opposition and difficulty he afterwards met with, he found it necessary to apply to the commander of that ship again to rejoin him. But our anticipation of difficulty applied to the traders on the coast, and especially to those of the United States; and it now appears that not a single one of these latter has been called on to pay duties at all.

The agents of the memorialists not having yet returned to England, we are unable to speak quite so confidently as we should wish of the proceedings of the collector during the present season. But we may, we think, venture to say that they fully confirm all the assertions of partiality and injustice contained in the representations submitted to the Colonial Office. He has visited some of the fishing establishments; others he has left unvisited; he has broken open warchouses, taken captains from their ships, and imprisoned them for days in his schooner, and committed other outrages; and only in this way has he forced the agents (one writes "to avoid bloodshed") to give bills for the duties demanded. Of the trading vessels on the coast he has applied to very few; certainly not one in twenty; and of the United States' vessels he has not called on one.

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Referring to your remark that the Colonial Secretary could only allow or disallow the Acts of the Newfoundland Legislature, we had understood that his Grace could instruct the Governor to suspend the appointment of a collector for Labrador while the subject

was under consideration.

As regards the special grounds on which the memorialists object to the payment of the

duties in question, we can do little but repeat those already stated, viz.:—

That they carry on their business in and from England; that they are (two only, we believe, excepted) entirely unconnected with Newfoundland; derive no benefit whatever from their assumed connection with it; and the only way in which they are made acquainted with the existence of its Government is by the exaction of the duties complained of.

That they are not, nor can be, represented in its Legislature; that the Labrador coast is not within or near any electoral district of Newfoundland, nor was intended to be included

therein by the applicants for the charter granted to that island in 1830.

That no part of the duties exacted in Labrador is in any way applied for its benefit; and the only way it is even pretended that this is done is by the establishment of the court which accompanies the collector, and which is, except for his support, utterly inoperative and useless.

That