

*Downing Street,
28th May, 1834.*

SIR,—I have had the honor to receive and lay before his Majesty your despatch No. 8, of the 18th February last, accompanied by an address from the Assembly of Newfoundland on the Financial condition of the Island, in which they bring forward various circumstances in the past policy of the Mother Country as having tended, in their estimation, to impede the prosperity of the Colony; and they, at the same time, complain of the Rights enjoyed on the shores of Newfoundland by Fishermen of Foreign Nations. They then state that the sum required to defray the expenses of the Government for this year amounts to £27000, and that, with every endeavour to enforce economy, they feel that the whole Revenue arising from Customs' Duties, whether levied under Acts of the British Parliament, or under the Act passed in the Island last year, must be quite inadequate to meet the necessary charges of the Civil Government. The Revenue of the Crown Lands, they remark, is not placed at their disposal. They further state that many public objects of great moment call for an increased expenditure, while, on the other hand, the distress arising out of the failure of two successive Potato Crops, the deterioration of the Fisheries, and the depression of Trade, owing to the state of the chief Markets for the staple commodities of the Colony, render it peculiarly inexpedient at the present moment, to impose additional taxes on the people of Newfoundland; under these circumstances, they pray that his Majesty will recommend the Imperial Parliament to Grant to the Colony such sum of money, in aid of its proper funds, as to the wisdom of Parliament may seem proper.

I much lament the apprehension of the House of Assembly that the resources of Newfoundland will be inconveniently burthened by the demands to which they are subject for the promotion of those public objects for which the Assembly is now called upon to provide. Nothing can be more desired by his Majesty than the prosperity of the loyal people of this Island, nor could his Majesty suppose, without deep regret, that their welfare could be seriously impaired by the efforts which they may be called upon to make for the maintenance of the Establishments necessary for the administration of their affairs. But I trust no such result is to be apprehended. I must remind you that at the time when a Legislature was bestowed on Newfoundland the increase of the wealth and population of the Colony formed one of the chief grounds on which the boon had been solicited,—at the same time the aid previously granted to the other British Governments in North America had either been withdrawn, or was about to be withdrawn; and no annual vote now remains, as you are probably aware, except that to the small Colony of Prince Edward's Island, which it is probable will shortly be superseded by arrangements at present in discussion between the Legislature of that Island and his Majesty's Government. Upon a review of all the circumstances, I cannot feel warranted in advising his Majesty to sanction the application to Parliament, which is requested by the Assembly of Newfoundland; I have, therefore, only to convey to you his Majesty's commands to signify to the House of Assembly his Majesty's regret that he is unable to comply with the prayer of their Petition, and his earnest hope that by judicious measures for augmenting the Revenue, and for limiting the expenditure within the narrowest bounds which the Public interest will allow, the Legislature may be enabled to provide for the charges of the Colony without injuriously pressing upon the resources of the People.

I have the honor to be,

Sir,

Your most obedient humble Servant,

(Signed)

E. G. STANLEY.

Governor
Sir THOMAS COCHRANE, &c. }