See Page 44, Despatch No. 53, Feb. 19, 1852. The Lieutenant-Governor has stated in a further despatch, that he cannot doubt that it would be unwise to make any concession of the fisheries, unless upon the terms mentioned by him in his despatch to the Governor-General of Canada of the 25th July, 1850, which is to be found at p. 41 of this memorandum. Those terms were reciprocity of trade as regards agricultural productions—the admission of the coal and iron of Nova Scotia—the admission of her vessels to registry in the American ports—and participation for them in the coasting-trade of that country.

From the foregoing statement and the correspondence subjoined, it will be perceived that two important and urgent questions demand decision:

1st. As to the course that should be pursued in regard to the subject of bounties, not only in New Brunswick but in British North America generally.

2nd. As to the propriety of affording vigorous protection to the Colonial Fisheries by stationing steam-vessels or cutters-of-war off the coast, and thereby forcing the American Government into reciprocal free trade with the British North American colonies.

Colonial Office, March 26, 1852.