

law should be assimilated to that of Nova Scotia (Revised Statutes, c. 7, s. 44) with regard to the expenses of elections, which should no longer be paid from the Colonial Treasury, but be defrayed (under proper conditions as to amount) by the members.

9. (3.)—Payment of the members for their expenses and attendance to be no longer made by the Colonial Treasury, but by local assessment, levied in each electoral district.

10. These measures having been taken by the Legislature, Her Majesty's Government will proceed to separate the Executive from the Legislative Council, and to provide, by instructions from Her Majesty, that the latter shall consist of not less than 10 nor more than 15 members, nominated by the Crown.

11. With regard to the stipulations respecting the grant of a Civil List to Her Majesty, which have usually accompanied the grant of responsible government, it appears to me sufficient to refer you to the arrangements already made under the Act of Parliament 2 & 3 Will. 4, c. 78, and the Acts of the Newfoundland Legislature, 7 Vict., c. 1, & 8 Vict., c. 6, leaving it to yourself to consider whether any modification of these provisions is now required.

12. These are conditions some of which, I am persuaded, are essential to justice, and others highly important to the satisfactory working of the new system; and I trust that, with these additions, the adoption of the system in question will not merely satisfy the long-expressed desire of the majority of the people of Newfoundland for freer institutions, but will also prove favourable to practical improvements in the government of the colony.

13. As regards the portion of the Address which relates to free trade with the United States, you will inform the Assembly that Her Majesty's Government are still in negotiation with that of the United States, and that in the conduct of that negotiation every attention will be paid to their expressed wishes, and those of their constituents.

I have, &c.
(signed) *Newcastle.*

— No. 2. —

No. 2.

(No. 86.)

Governor Hamilton
to the Duke of
Newcastle,
23 February 1854.

EXTRACT of a DESPATCH from Governor *Hamilton* to the Duke of *Newcastle*;
dated Government House, St. John's, Newfoundland, 23 February 1854.

(Received, 13 March 1854.)

My Lord Duke,

(Answered, No. 50, 17 March 1854, page 37.)

I HAVE the honour to acquaint your Grace that on the 31st ultimo, I opened the Session of the Legislature with the accompanying speech, which was generally very well received, and was only excepted to by the Roman-catholic party in the House of Assembly, on account of its omission of all reference to the subject of responsible government.

A committee of five, three Protestants and two Roman-catholics, was appointed to draft an Address in reply; the three first-named of whom reported an address drawn in the manner heretofore usual, noticing the several matters referred to by me, and containing the usual assurance of a desire to co-operate in maturing the measures to which I had directed their attention.

The Address was read a first and second time, and on the 9th instant, was committed; but, on the first paragraph being proposed for adoption, Mr. Little addressed the House, and declared it to be the intention of himself and his party to permit the transaction of no further business under the present form of government;