

ORDERED, That the Report be received, and the Bill read a third time to-morrow.

A Message from His Excellency the Lieutenant Governor was delivered by the Honorable Mr. Odell, a Member of Her Majesty's Executive Council.

The Honorable Mr. Saunders read the same; and it was again read by the Clerk, as follows:—

NEW BRUNSWICK.

Message to the Legislative Council.—May, 1865.

ARTHUR GORDON.

His Excellency the Lieutenant Governor lays before the Legislative Council the copy of a Despatch from the Secretary of State for the Colonies, dated 23rd July, 1864.

A. H. G.

Downing Street, 23rd July, 1864.

SIR,—I have the honor to transmit to you for your information, a copy of a Despatch from Lord Lyons, on the subject of an Act passed by the United States Congress “to regulate the Foreign Coasting Trade on the Northern, Northeastern, and Northwestern frontiers of the United States, and for other purposes.”

This Act is numbered 107, and dated 17th June 1864, and you can, no doubt, readily obtain a copy of it.

I have, &c.

(Signed)

EDWARD CARDWELL.

[Enclosure.]

Lord Lyons to Earl Russell.

Washington, June 20, 1864.

MY LORD,—I have the honor to transmit to your Lordship a copy of an Act of Congress, entitled “An Act to regulate the Foreign Coasting Trade on the Northern, Northeastern, and Northwestern frontiers of the United States, and for other purposes.”

The last Section of this Act repeals an Act on the same subject, approved on the 2nd March 1863, the second Section of which runs as follows:—

“And be it further enacted, that from and after the 1st day of April next, the same and no higher tonnage duties and Custom House charges of any kind shall be levied and collected on any British Colonial raft, flat boat or vessel entering otherwise than by sea at any Port of the United States, on the Rivers and Lakes on our northern, southeastern, and northwestern frontiers, than may be levied and collected on any raft, flat boat or vessel entering otherwise than by sea at any of the Ports of the British Possessions on our northern, northeastern, and northwestern frontiers, and that from and after the first day of April next, no higher discriminatory duty shall be levied or collected on merchandize imported into the United States in the Ports aforesaid, and otherwise than by sea, than may be levied and collected on merchandize when imported in like manner otherwise than by sea into the British Possessions on our northern, northeastern, and northwestern frontiers from the United States.”

When the motion for repealing this Section was first made, I was apprehensive that it might have an unfavorable effect on Canadian interests, and I asked Mr. Seward to endeavour to prevent its going further in Congress, until we had time to consider the matter. This Mr. Seward did, and I had some correspondence with him and with Lord Monck upon the subject.

It appeared, however, that the Canadian Government were of opinion that it would not be desirable to expend strength in endeavouring to oppose the repeal of the Section. They observed, that as the United States did not charge Canadian shipping more than American shipping, we had really no moral right to complain, and that in the present state of the American finances we must not show too much susceptibility if some of the means adopted for raising the Revenue pressed incidentally on our interests.

Concurring in these views, I did not pursue the subject with Mr. Seward.

I have, &c.

(Signed)

LYONS.