

remove, will, if continued, produce extreme irritation among its inhabitants, since every mail reminds them of a direct contribution to the American Exchequer. I need hardly advert to the obvious fact, that by the subsidies in question, a bonus is given to divert the most needed class of emigrants from proceeding to a British Colony, where their labour and capital are so much needed, and to encourage their settlement in the United States.

I have thus imperfectly, though I fear at somewhat too great length, endeavoured to point out to your Grace the peculiar and exceptional position of the province whose interests I am charged to represent, its special claims to Imperial consideration, and the injury which the existing state of things will, if continued, inflict upon it. In what form and to what extent a proper measure of relief can be accorded, I leave to the consideration of the Government of which your Grace is a member. I would, however, venture to suggest one or other of the following plans, as being likely to attain the object which we seek to accomplish :

1. A direct subsidy to the colonial steamers. If it be true, as Mr. Cunard states his belief to be, that the amount of postage received by his ships is equal to the sum paid to him by the British Government, and that his line is kept up without cost to the country, surely the Canada postal communications are sufficiently important to justify an imperial subsidy, equal at least to that which the Colony contributes, even if the important commercial considerations which I have adverted to were to be disregarded.

2. A payment by Great Britain of a stipulated sum for the conveyance across the Atlantic and to the western limits of Canada of the mails to British Columbia, which the province has offered to perform in terms of the Minute of Council of the 13th June last, to which I have had the honour of again calling your Grace's attention in a separate communication.

3. If it is found that the arrangements with the Cunard line and the Galway line have gone so far as to be irretraceable, then that some such modification of the service be, if possible, required of one or other of the contractors as may, by means of its joint performance by the Canadian and English contractors, still continue to Canada a direct weekly communication. I am not prepared to say how far this latter suggestion is practicable in detail, but I doubt not the Canadian Government would be prepared to listen favourably to any reasonable proposal that would prevent the important objects which the province had in view in the establishment of the line from being defeated, which they would be, should the Canadian line be forced to succumb, as it soon will, under the competition maintained by the two Imperial subsidies.

I beg your Grace will accept as my apology for the length of this communication, that I feel in common with, I believe, all Her Majesty's subjects in Canada, a strong sense of the serious injury to which the interests of the Colony are exposed, and that I entertain a firm assurance that your Grace will not only give an impartial and careful consideration to the facts I have stated, but will be disposed to promote the reasonable claims of this important dependency of the Empire.

I have, &c.
(signed) *John Rose.*

COPY of a LETTER from *C. Fortescue, Esq., M. P.*, to *John Rose, Esq.*

Sir,

Downing Street, 12 September 1859.

*C. Fortescue, Esq.,
M. P., to John Rose,
Esq.
12 Sept. 1859.*

I AM directed by the Duke of Newcastle to acquaint you, that he has had under his consideration your letter of the 16th of August, on the subject of the contracts recently entered into by Her Majesty's Government for the conveyance of mails across the Atlantic, and urging upon his Grace's attention the claims of the Canadian Line of Steamers to Imperial consideration.

I am desired to state that it is the Duke of Newcastle's earnest desire that in any arrangements for the conveyance of mails to British North America the interests of Canada should be fully considered, and his Grace regrets that in the
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