and Newfoundland required powerful ships to ensure regularity in the transmission of the mails."

The Council having taken these Despatches into consideration rejoice to find that Her Majesty's Government offer their services to take steps for accomplishing the object which the Newfoundland Government have had in view, namely, a direct steam postal communication with the mother country, as projected to be undertaken in the late agreement with the North Atlantic Royal Mail Company, and the Council request the Governor to return their sincere thanks to Her Majesty's Government for this offer of their services.

The Council entirely concur with the views taken by the Secretary of the Admiralty, that "the passage between England and Newfoundland required powerful ships to ensure regularity in the transmission of the mails," and if the registered tonnage and power of the three ships named in the contract have been found to be of smaller power than required, the Council beg to assure Her Majesty's Government that the gentleman who acted on behalf of the North Atlantic Company represented them to be of the exact power and tonnage as was stated in the agreement.

A communication has been received from the same party, by the last mail, proposing that the time for entering into a contract may be extended to early next year, but the Council have determined that the agreement shall be considered at an end, and that any further applications made to the Government here on this subject shall be referred to Her Majesty's Government.

The Council have to request that the Governor will direct the attention of the Colonial Minister to the very great importance which the people of Newfoundland attach to direct steam communication, and I hope that no slight impediment will stand in the way of Her Majesty's Government in accomplishing the object, the Governor being well aware that there is a very considerable falling off in the revenue this year, and the Council fear that the funds of the Colony would not justify a larger contribution than the sum already agreed to by resolution, say 7,000 l. per annum for five years.

It was at first the intention of the Council to have appointed agents to act in concert with Her Majesty's Government in effecting arrangements with some of the steam companies; but from the generous proposition of Her Majesty's Government in Secretary the Right Honourable Sir Edward Bulwer Lytton's Despatch on this subject, the Council feel confidence that this step is unnecessary, and that Her Majesty's Government will carry out the object in a manner entirely satisfactory to the Colony. Should Her Majesty's Government, however, require any information or aid to facilitate any regulations which may be entered into, the Council think it right to submit herewith the names of the following gentlemen, all of whom are more or less connected with Newfoundland, and in whom the Council have confidence.

John Shea, Cork.

Charles Bowring,
Thomas H. Ridley,
Thomas Holdsworth Brooking,
Thomas Row,

London.

The Council have only further to state, that they will feel obliged to be furnished with a copy of any agreement which Her Majesty's Government may determine upon before it is finally arranged.

A correct copy from the Minutes of Executive Council.

(signed) J. Kent

## Enclosure No. 3.

Dear Sir, London, 16 July 1858.

We are requested by Mr. John Orrell Lever, of Manchester, the proprietor of the Galway line of steamers to America, to address you a few lines upon the subject of establishing a line of boats from Galway to a port in the United States, calling at St. John's, in connexion with the present line, which we are happy to