

the whole sum required for the maintenance of the Contract entered into by the Home Government with Mr. Cunard, "for the establishment of Mail Coaches for the conveyance of the Post Office Letter Bags between Halifax and Pictou," has hitherto been furnished by this Province, although, in my Despatch, No. 68, dated 27th April, 1841, addressed to Lord John Russell, (see Paper No. 4) I distinctly intimated in reply to his Despatch, No. 16, dated 17th November, 1840, that £550 only had been voted by the Legislature for that purpose.

The perusal of these Papers will, I think, make it apparent to Your Excellency—

1st—That the Contract was originally entered into chiefly with a view of expediting the correspondence between Great Britain and Canada, and that Nova Scotia derives little direct advantage from it, the Internal Postage of the Province being provided for by other sources.

2nd—That New Brunswick participates, though in a smaller degree, in the benefits derived under the Contract by Canada, inasmuch as the New Brunswick Mails are conveyed from Halifax on the Pictou route by the Mail Coaches as far as Truro, more than half the distance.

3rd—That the Imperial Government never intended that Nova Scotia should bear more than a fair proportion of the expense incurred by the establishment of a line of Mail Coaches between Halifax and Pictou.

I therefore earnestly hope that your Excellency will endeavour to induce the Legislature of New Brunswick to contribute annually during the next seven years a specific sum, not less than £250 Sterling, in aid of the designs of Her Majesty's Government.

I am about to address His Excellency the Governor General on this subject, and I anticipate that the Canadian Parliament will cheerfully grant the remaining £750.

I have the honor to be, Sir,

Your Excellency's most obedient humble servant,

FALKLAND.

His Excellency Sir WILLIAM COLEBROOKE, K. C. H. &c. &c. &c.

(No. 1.)

The Committee on the Receipts and Expenditure of the Post Office, and all matters relating thereto, beg leave to Report :—

That the recent changes in this Department, and the increased demand on our Provincial Treasury, render it necessary to revert to the true state of the question depending between the Home Government, the Provinces of Canada and New Brunswick, and this Legislature. The Committee have therefore renewed the inquiries instituted in previous Sessions, and refer in the Appendix to all the Reports and Documents to be found in our Journals since the year 1836, and annex an abstract of the Accounts rendered in the usual form by the Deputy Post Master General, for the year ending the 5th January last.

From these Documents it appears that an abstract of the Post Office Accounts has been prepared on the same principle every year since 1836, and which after a close examination by the General Post Office in 1839, was approved of as correct. Without entering into minute details, it is established by the experience of the last six years as a fact placed, as the Committee conceive beyond all question, that the proceeds of the Internal Postage of this Province, independent of and separated from the Packet Postage,