Sub-Enclosure, 2.

MAILS for the United States by Canadian Mail Packets.

In accordance with arrangements made by the United States Post Office, the line of Canadian mail packets plying between Liverpool and Portland will, on each occasion of leaving Liverpool, take the place of United States' mail packets during the winter season, and all letters, &c., addressed to the United States, which are posted at or reach Liverpool previous to the departure of those packets, and which are not directed to be otherwise sent, will be forwarded by the Canadian mail realization. will be forwarded by the Canadian mail packets.

The days appointed for the departure of the Canadian mail packets from Liverpool during

the present winter, are -

Wednesday, 22d December. 26th January.

Wednesday, 23d February. 23d March.

General Post Office. December 1858.

By command of the Postmaster General. Rowland Hill, Secretary. (signed)

— No. 18. —

(No. 31.) No. 18. Right Hon. Sir E.

Copy of a DESPATCH from Governor General Right Honourable Sir E. Head, Bart., to the Right Honourable Sir E. B. Lytton, Bart., M. P.

Government House, Toronto, 4 March 1859.

Sir, (Received, 22 March 1859.)

I have the honour to transmit herewith a joint Address from the Legislative Council and Assembly of Canada to Her Majesty the Queen on the subject of a postal subsidy to ocean steamers, which I request may be laid at the foot of the Throne.

> I have, &c. Edmund Head. (signed)

Encl. in No. 18.

Head, Bart., to

Right Hon. Sir E.B. Lyiton, Bart. M.P.

4 March 1859.

Enclosure in No. 18.

To the Queen's Most Excellent Majesty.

Most Gracious Sovereign.

Wr., your Majesty's dutiful and loyal subjects, the Legislative Council and Commons of Canada, in Provincial Parliament assembled, humbly approach your Majesty for the purpose of representing-

That the efforts and resources of Canada have been, for many years, studiously directed to developing the trade of the St. Lawrence, which is the natural outlet not only of the

Province, but also of the American States bordering on the great lakes.

That almost the whole direct public debt, amounting to 7,000,000 l, has been created in view of this object, and the people of this Province have confidently looked forward to the completion of our canal and railway system for obtaining such a share of that commerce as might render our Provincial works productive, and relieve our revenue of the very heavy charges upon it for interest on this expenditure.

That by the outlay referred to, the charge for inland freight from the great lakes to Montreal and Quebec has been reduced to nearly one-half less than to New York, but the ocean freight from these respective ports to Liverpool is in a still greater proportion in favour of New York, and consequently the trade continues to seek that channel.

That consequently the aim of the Canadian Government has been directed to the best mode of reducing the ocean freight to a par with that from New York, and it has been conclusively shown, by the evidence taken before a Committee of the Legislative Assembly, that the large subsidies paid by the British Government to the Cunard line of steamships have operated as a direct bounty to the ports of New York and Boston, reducing freights to and from these cities, and so far defeating the objects and interests of Canada, and drawing Provincial trade largely into American channels.

That on the initiation of the steam mail service to America, there were no doubt cogent reasons why the United States ports should be the ultimate destination of the British steamships, and Canada never complained of her interests being overlooked in these original arrangements; but of late years it has become painfully manifest to the whole public of the