

so as to secure at least two suitable steamers, to be placed on the route from Liverpool to New York, Boston, or Portland, and call at St. John's at least 12 times each way, on the outward and homeward voyages, for the conveyance and delivery of mails and passengers, in conformity with the terms of the annexed resolution, adopted by the local Legislature on the 16th March last. The Government are constrained by the terms of this resolution, not less than by a regard to the interests of the Colony, in view of its growing commercial relations with the United States, to sanction the appropriation of 7,000 *l.* a year voted for this service for the term of five years, only upon the distinct understanding that the conditions mentioned therein shall be embodied in any contract which may be made for the performance of the service. If St. John's were made the terminus on this side of the Atlantic, the Colony would lose at least one-third of the advantages contemplated by the Legislature, and likely to result from the carrying out of the project according to their resolution; while, on the other hand, by making St. John's a port of call for a suitable monthly line of steamers to run between Liverpool and one of the United States ports named, the undertaking would prove much more lucrative to the contractor than if St. John's were made the terminus. In making any contract for this service, the Council would respectfully desire his Excellency to call the particular attention of Her Majesty's Government to this and the other points stated in a letter from Mr. Attorney General Little to Mr. Wilson, dated the 5th October 1857.

(True copy.)
(signed) *J. Kent.*

RESOLUTION adopted by the House of Assembly on the subject of direct Trans-Atlantic Steam Communication between Great Britain and St. John's.

Resolved,—"That it being the anxious desire of this House to secure for the Colony the benefit of direct steam communication with the United Kingdom, British America, and the United States, it is the opinion of this House that the executive Government be authorised to conclude arrangements with such persons or company as shall engage to run two or more steamers of sufficient capacity and power, fortnightly or monthly as may be agreed upon, between some port in the neighbouring Colonies or the United States, and the United Kingdom, calling at St. John's on each outward and homeward voyage, for a period, as may be agreed on, not exceeding five years, and to complete such arrangements as will give a guarantee to the Colony that the contract will be efficiently performed, and that the sum to be expended shall not exceed a sum between five and about seven thousand pounds annually."

Mr. *Merivale* to Sir *Charles Trevelyan*, K. C. B.

Sir,

Downing-street, 22 March 1858.

WITH reference to my letter of the 28th December last, relative to the establishment of a direct steam communication between England and Newfoundland, I am directed by Lord Stanley to transmit to you the copy of a Despatch with an enclosure from the Governor of that Colony on the subject, and to state that his Lordship would be glad to be informed whether any negotiation with Mr. Cunard is going on in this matter; and if not, whether there is any probability that the Lords Commissioners of the Treasury will sanction arrangements with other parties which shall effect the object sought for by the Colony.

I am, &c.

Sir C. E. Trevelyan, K. C. B.
&c. &c. &c.

(signed) *Herman Merivale.*

Enclosure, No. 1.

(No. 16.—Postal.)

Newfoundland, Government House, St. John's,
19 February 1858.

Sir,

REFERRING to your Despatch, 23 October last, enclosing correspondence with Mr. Little, Attorney General of this Colony, relative to a direct communication by steam from England to St. John's, I replied in mine of the 11th November, that