late transactions the Canadian Government had not ample opportunity of stating their views. The Duke of Newcastle cannot, however, enter into the details of your letter, or give any opinion, much less any pledge, as to the future course which Her Majesty's Government may think right to adopt, as the subject of these contracts is under the consideration of a Committee of the House of Commons, and until its report is made, no decision can be formed. His Grace can therefore only assure you of his continued regard to the statements you have laid before him, and his resolve to watch over the interests of the Colony in this important matter.

C. Fortescue. (signed)

Copy of a LETTER from John Rose, Esq., to the Duke of Newcastle.

91, Victoria Street, Westminster, 17 August 1859.

My Lord Duke, I have the honour to bring under the notice of your Grace a recent communi- John Rose, Esq., cation from the Government of Canada, on the subject of a proposal to carry to the Duke of the mails from Great Britain through British America to the Pacific.

Newcastle. 17 August 1859.

In a Report of the Committee of Council, under date the 13th June last, approved by his Excellency the Governor General, the Canadian Government expresses its willingness, on the conditions there stated, to place at the disposal of the British Government, or of any parties who may contract with that Government, the "Ocean" steamship and Inland Mail Service of Canada, from Liverpool to Red River, on payment of the sum of 30,000 l. per annum.

I need not here impress on your Grace, by argument, the considerations which induced the Government to make this offer. The completion of such an arrangement would be of great importance to the Colony, and the undertaking of it at the present moment would be especially so in connexion with the position in which the Canadian ocean steamers are placed.

I would respectfully solicit the early and favourable consideration of your Grace to this proposal, and I shall be happy to afford any information which may not be already supplied through the official communications of record in the department.

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

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

Downing Street, 12 September 1859.

I am directed by the Duke of Newcastle to acknowledge the receipt of your C. Fortescue, Esq., letter dated the 17th ultimo, on the subject of the conveyance of the mails from M.F., to John Rose, Great Britain to the Pacific, through British North America, and the proposal of Esq. the Government of Canada to place at the disposal of the British Government the "Ocean" steamship and Inland Mail Service of Canada, from Liverpool to Red River, on payment of the sum of 30,000 l. per annum.

I am desired to state that, after receiving a deputation from the North-West Transit Company, and carefully considering their proposals, as well as the communication received from the Government of Canada, the Duke of Newcastle could not feel justified in recommending so very large an assistance (80,000 l. in all) for a service so small as the conveyance of letters to British Columbia and Vancouver's Island; and that whilst his Grace recognises the great value, both to this country and to Canada, of a thorough communication across the British North American Continent, he hopes that the present delay may lead to a more complete scheme.

> (signed) C. Fortescue.