

I have, however, to add, that in the event of some of the Provinces of the Colony desiring to take upon themselves the Contract, the Colonial Government will be happy to afford them every facility for doing so: Provided that the monopoly of all the steam services of the Colony be abandoned by the Inter-Colonial Royal Mail Company (Limited). At the same time I have to suggest to the Provincial Government of Canterbury that before taking any further step to involve the Province in liabilities, or engagements, that it would be prudent for them to reconsider the matter, after they have had an opportunity of perusing the papers on the subject now in the printers' hands, a copy of which, when printed, shall be forwarded to Canterbury without a moment's delay.

I have, &c.,

FRED. WHITAKER,

In absence of Postmaster General.

E. C. Stevens, Esq.,
Member of the Executive Council of
Canterbury Province.

No. 86.

Superintendent's Office,
Christchurch, May 21st, 1864.

SIR,—

I have the honor to transmit to you herewith a copy of the resolutions unanimously adopted by the Provincial Council of this Province, during its recent session, on the subject of the Panama Contract, entered into by Mr. Crosbie Ward on behalf of the Colony.

I have, &c.,

WM. ROLLESTON,
Provincial Secretary
(for the Superintendent).

To the Honorable the Postmaster General,
Auckland.

Enclosure to No. 86.

Provincial Council Chamber,
Canterbury, 26th April, 1864.

Extract from the Records of the Provincial Council on the subject of the Panama Contract :—

Motion was granted that the Council do adopt the following Resolutions :—

Whereas a Contract has been recently entered into by the late Postmaster General of this Colony, on behalf of the Colony of New Zealand, with the Inter-Colonial Royal Mail Company, for the establishment of a postal service with Great Britain, by way of Panama, which Contract His Excellency's Government has not up to the present time ratified on behalf of the Colony: And whereas, in the opinion of the Council, numerous and important advantages would result to this Province and the Colony at large from the establishment of the service provided for in such contract: And whereas, by information recently received from Great Britain, it appears that the above-mentioned Company is taking steps for efficiently carrying out such Contract:

This Council resolves—

1. That it is of the utmost importance, not only to this Province but also to the whole Colony, that the agreement entered into by Mr. Ward on behalf of the Government for the establishment of Steam Mail communication by way of Panama, should be carried into effect.

2. That it is expedient that a communication be addressed to His Excellency the Governor, representing the anxious desire of this Council that the contract above referred to should be ratified.

3. That in the event of His Excellency not considering himself empowered, without the sanction of the General Assembly, to enter into engagements involving a payment for the Panama service of a greater sum than that provided for in the Panama Route Postal Act, 1862, this Province will undertake to provide the additional sum of £33,000 required to make up the entire subsidy stipulated for in the contract.

4. That in event of His Excellency not deeming it expedient to concur in either of the foregoing proposals, this Council hereby undertakes, on behalf of the Province of Canterbury, to provide the whole subsidy of £63,000 payable under the contract.

5. That looking to the advantages which other Provinces of the Colony will derive from the establishment of the postal service now under consideration, this Council relies upon the willingness of the Governments of those Provinces to share with that of Canterbury the financial burthen involved therein, in the event of the contract not being adopted on behalf of the Colony by the General Assembly at its next session.

6. That His Honor the Superintendent be requested to take the necessary steps for giving effect to these resolutions, and that this Council will indemnify His Honor for any expenditure incurred in so doing, not exceeding the respective sums above mentioned.

7. That His Honor the Superintendent be requested to forward a copy of the above resolutions to the English Agent, and instruct him to communicate with the contractors for the Panama service, and make them acquainted with the fact that if after further communication,