respecting the establishments under your management in certain of the Colonies, in which import duties provided for by the Act, 8 and 9 Victoria, chapter 93, relating to the trade of the British Possessions abroad, had not been levied, and to which, consequently, the Act of the 9th and 10th Victoria, chapter 94, or the arrangements adopted in pursuance thereof, did not apply, that my Lords have had under consideration the representations in your Report of the 3rd August last; and I am to observe, that the circumstances to which you have adverted, of the duties of Customs in the Colonies in question being collected, not under enactments of the Imperial Parliament, but for the purposes of Colonial revenue under local laws, or special Orders of Her Majesty in Council, varying in their tenor according to peculiar considerations attaching to each Colony; and of the Customs establishment being, therefore, maintained almost entirely for Colonial objects, and the expense of salaries and management wholly defrayed from the Colonial revenues, have appeared to my Lords, and to the Secretary of State, to constitute cogent grounds for vesting the regulation and management of the Customs establishments in the local Governments and Legislatures.

I am further to state that, with this view, it is my Lords' intention that the control of these establishments, and all future appointments in them, should be transferred to the respective Colonial Governments, from such date after the receipt in each Colony of instructions to this effect, as may be arranged by the respective Governments and Legislatures; and that, thereupon, the deductions from the officers' salaries, on account of Superannuation Fund, under the provisions of the Act of 4 and 5 William IV, chap. 24, should be discontinued; with the understanding, however, that upon retirement or superannuation, hereafter, of the officers who have held appointments under you, and whose services are thus to be transferred, provided such retirement take place with the testimonials, and under the conditions required and enjoined by the said Act, such allowance as it may warrant in respect of services anterior to the date of transfer, and cessation of contribution, will be accorded by my Lords' Board, and will be payable from the Customs revenue, to which the Superannuation Fund deductions heretofore made from the salaries of the parties have been added, or in any other manner in which superannuation and retired allowances of your department in general may be defrayed. But, at the same time, I am to observe to you, that any grants of additional superannuation or retired allowance, in respect of services subsequent to the date of transfer of the establishments, will depend upon the Colonial Governments and Legislatures.*

I am further to acquaint you that, as my Lords conceive it most materially concerns the interests and accommodation of the local traders and shipowners in the Colonies, now in question, officers should be stationed in them, competent and duly empowered to perform duties similar to those devolving on the Controllers of Customs and Navigation Laws in the American and West Indian Colonies, as indicated in your Reports of 8th August, and 26th November, 1849, my Lords are of opinion that provision for this purpose may very appropriately be made in these Colonies, by conferring the requisite powers in that respect on the Colonial officers of Customs, requiring at the same time, as a condition, of the accommodation to be afforded to the colonists, that it shall be incumbent on those officers to furnish such returns or other documents relating to trade, as are required for the information of the Imperial Government and Parliament, as well as perform the other functions attaching to the appointment of Controllers of Customs and Navigation Laws.

My Lords, therefore, desire you will consider what appointments or other arrangements you may be prepared to recommend for these objects, and that you furnish my Lords, for transmission to the Colonial Governments, with such deputations and instructions for the principal or other Customs officers as may be requisite in each case.

I am directed to transmit for your information a copy of Lord Grey's Circular Despatch of the 8th August last, and to desire you will apprise your officers in the Colonies of the arrangements now sanctioned by my Lords for giving effect to the intentions notified in that despatch.

I am,

Gentlemen,

Your obedient servant,

G. CORNEWALL LEWIS.

The Commissioners Customs.

^{*} This paragraph is not applicable to New Zealand, the Officers of Customs in that Colony not having been commissioned by the Board, or contributed to the Superannuation Fund.