

company, that Your Committee feel it most unwise to attempt to lay down any rule. The discretion must be left to the Executive, subject to the control of Parliament.

2. As respects the renewal of existing contracts, it is hard to reconcile the two important considerations of economy and efficiency. While on the one hand it is the duty of Government to secure the performance of the service at the least expenditure, on the other, a Department responsible for the performance of the duty is reluctant to risk the chance of change, and anxious to secure the service of those who have performed the duty long and well, and in whom they have confidence. We are not prepared to lay down any general rule, but we are of opinion that the practice of renewing contracts to existing holders has been carried to an extent which should no longer be sanctioned.

3. With respect to the conditions to be introduced generally into the contract, many suggestions will be found in the evidence and in the correspondence between the Treasury and the Post Office.

It is proposed that no specific sum should be paid, but the postage handed over to the contractors. That no time should be fixed for the continuance of the contract, but that it should be a running contract, terminable at a year's notice. That no stipulation should be made as to the size, the power, the number, or the inspection of the steamers, or other details, but that the contractor should be bound to perform the service under heavy penalties.

Your Committee have not had sufficient evidence before them to enable them to give a decided opinion upon the first of these proposals.

We doubt much the expediency of running contracts, terminable at a short notice in all cases, but there are exceptional instances in which they may be advisable.

With respect to the proposal to abandon precautions as to inspection, and stipulations respecting the number and fitness of the steamers to be employed, we would consider that great caution is necessary; and as to surveys for ascertaining the sufficiency of vessels and their engines, we are of opinion that recourse should be had, as hitherto, to the Admiralty, rather than, as now proposed, to the Board of Trade.

The system of relying on heavy and absolute penalties has been tried, but the result does not warrant us in giving our sanction to the abandonment of the precautions hitherto taken to ensure that a contractor should at least have adequate means for the performance of his contract.

In closing our remarks on this part of our subject, we cannot conceal our conviction that the well working of any system must depend on the careful attention of the Executive, checked by publicity, and the control of Parliament.

Your Committee cannot conclude their Report without recording their conviction that it is quite practicable to dispense with large subsidies in cases where ordinary traffic supports several lines of steamers, and that, in the circumstances which have for some years existed in regard to the communication between this country and North America, no such subsidies are required to secure a regular, speedy, and efficient postal service.

Many questions of interest, which do not fall within the terms of the reference to Your Committee, have been incidentally and almost unavoidably brought under their notice; such as those regarding the comparative merits of paddle and screw steamers for the conveyance of mails, or the propriety of allowing mails to be sent by vessels carrying emigrants. Your Committee abstain from giving any opinion on these and similar questions, or on the relative merits of different routes, the consideration of which has been pressed on them.

22 May 1860.