

acceptance of Mr. Cunard's tender, even at its lowest, would impose on the public.

I am to request that Mr. Cunard's tender may be returned to this office, and that my Lords may be favoured with an early reply to this letter.

W. G. Romaine, Esq., C. B.  
&c. &c. &c.

I am, &c.  
(signed) *George Ward Hunt.*

— No. 10. —

Mr. *W. G. Romaine* to the Secretary to the Treasury.

Sir,

Admiralty, 12 November 1867.

IN reply to your letter of the 9th instant, transmitting the accompanying tender from Mr. Cunard to undertake the packet service between Halifax, Bermuda, and St. Thomas, at the expiration of the present contract, for a sum estimated, at the least, at 19,500 *l.* per annum; I am commanded by my Lords Commissioners of the Admiralty to request you will state to the Lords Commissioners of Her Majesty's Treasury, that they have given much attention to the consideration of this question of mail communication between Halifax, Bermuda, and the West Indies, which it appears to them essential to maintain.

Unless this line be continued, the naval Commander in Chief would be cut off from all means of communication with the ships of his squadron, as well as the Governors of Her Majesty's Colonies in the West Indies, whenever he happened to be at Halifax or Bermuda, or would be deprived of means of communicating with Halifax and Bermuda, whenever he might be in the West Indies.

My Lords therefore consider it to be absolutely necessary that this service should be continued, and that the Island of Bermuda, so important to this country, should not be entirely cut off from all mail communication with England. In the event of the service having to be undertaken by this department, it could not be performed with less than two vessels. The cost of building two suitable vessels is estimated at 70,000 *l.*, there being none of Her Majesty's ships at present disposable. The annual cost of wages, victuals, coals, and wear and tear, is estimated at not less than 25,000 *l.*

The Secretary of the Treasury,  
&c. &c. &c.

I am, &c.  
(signed) *W. G. Romaine.*

— No. 11. —

The Secretary to the Treasury to the Postmaster General.

My Lord Duke,

Treasury Chambers, 26 November 1867.

WITH reference to your Grace's letter of the 5th instant, forwarding a tender from Mr. W. Cunard, for the performance, at the expiration of the present contract, of a packet service once a month each way between Halifax, Bermuda, and St. Thomas, I am directed by the Lords Commissioners of Her Majesty's Treasury to transmit to you, for your Grace's information, the enclosed copy of a letter from the Admiralty, relating to this subject, and I am desired to state that my Lords are pleased to sanction your accepting Mr. Cunard's tender for the service in question for a subsidy of nineteen thousand five hundred pounds a year, the contract to be for 10 years (but the Postmaster General to have the power reserved in such contract to terminate it at the end of five years, on giving twelve months' notice, and in the event of the power of terminating the contract at the end of such five years being exercised, Mr. Cunard to be entitled to be paid for each of those five years an additional subsidy of one thousand pounds), the penalties for delay on the voyage, instead of being absolute, to be conditional, and the vessels not to be subject to Admiralty survey.

Power should also be given in the contract to the Postmaster General to change the terminal port of St. Thomas to another port in the West Indies, if hereafter deemed necessary; the terms to be paid to Mr. Cunard for such alteration

Admiralty,  
12/11/67.