notice; and, third, that the surety bond should be raised from \$7,000 to \$13,000, an amount higher by some thousands of dollars than is required in any other case, although there are contracts of double the annual value of the one in question.

When the tenders were opened, the contractor was found to be the fourth on the list, and accordingly the four lowest were sent to the Inspector with instructions to him to ascertain how far the sureties offered satisfied the requirement of the \$13,000 bond. The Inspector reported that the two lowest tenderers were fully qualified to enter upon the service, but that they and the third tenderer all wished to withdraw. No effort was made to hold the tenderers to the obligations they had incurred, and the contract was awarded to the old contractor at the rate of his tender.

The present Government had inquiry instituted as to how the service could be rearranged, having regard to both efficiency and economy, and a plan has been adopted which will be a great improvement on the former arrangement, and which, according to careful estimates, will make a reduction in the cost of over \$4,000 per annum.

No. 974.

### Post Office Inspector's Office, HALIFAX, 16th August, 1895.

SIR — I have the honour to submit a complete list of all mail contracts in this division, about to expire on the 31st December next.

#### EASTERN HARBOUR AND PORT HASTINGS.\*

\* \* \* \* \* \* \* \* \* \* \* \* \* \* \* H. A. Archibald, contractor; length of routes, 101, 60 and 18 miles; service, daily over each of these routes; cost, \$7,475.88.

I have no changes to suggest in the mode of performing any of these services, and beg to submit herewith, for your approval, copies of the notices I would propose to issue inviting tenders for new contracts for them, to commence 1st January, 1896.

### I have, &c.,

CHARLES J. MACDONALD, Post Office Inspector.

## APPROVAL OF NOTICES.

#### Post Office Department, MAIL SERVICE BRANCH, OTTAWA, 22nd August, 1895.

No. 831B.

## Memorandum for the Post Office Inspector at Halifax:

The Postmaster General having had under his consideration the Inspector's report No. 974 of the 16th August, 1895, has approved of the notices inclosed therein inviting tenders for the mail services hereafter mentioned.

Date of notices, 13th September, 1895.

Date for the reception of tenders, 1st November, 1895.

Date of new contracts, 1st January, 1896.

Names of services: Eastern Harbour and Port Hastings.

The Inspector will please be so good as to issue these notices accordingly.

# WM. SM1TH,

# For Superintendent.

<sup>\*</sup>Though described on the books of the Department as the Eastern Harbour and Port Hastings mail service, this service includes the conveyance of the mails over three routes, viz. : between Port Hastings and Eastern Harbour, a distance of 101 miles; between Port Hastings and Baddeck, a distance of 60 miles; and between Mabou and Whycocomagh, a distance of 18 miles.