

this time the great Peninsular and Oriental Company, known as the P. and O. Company, established steam communication between England, India, China and other eastern countries. It was aided by large subsidies from the home government, and by mail subventions from the East India Company and foreign states interested in this enterprise. The company now receives £350,000 annually. In 1856 the Allans commenced a fortnightly Canadian service on a subsidy of \$120,000; in 1857-8 it was increased to \$208,000 for a weekly service, and in 1858-9 to \$416,000. The International and Navigation Company (a new American line), has lately been established on the strength of liberal postal favors of \$4.00 per ton a mile for mail matter. The North German Lloyd has developed the finest fleet of Atlantic liners by means of state assistance. It receives 2,000,000 marks annually, and owing to recent improvements in ships as also in their speed, it is now asking the Reichstag for an additional subvention of 1,500,000 marks. This company also receives compensation from Washington for transportation of American mails.

The French government made a contract in July with the Compagnie General Trans-Atlantic Company for important improvements on the lines of speed in the mail service between Havre and New York. The contract is before the French Chamber of Deputies for ratification. The amount stipulated is £200,000. The company also receives additional compensation from Washington for carrying American mails.

I refer to the above to show the means employed by different countries to secure their share of travel and commerce. The competition is keen. With marked prescience, wise forecastings, and the adoption of measures justified by well known conditions already existing, and sure to exist in the future, the struggle goes on and great is the success. If Canada is to reap the harvest that is possible, there must be subsidies given, such as will secure lines of steamers equal in speed and convenience for the travelling public, to any that cross the Atlantic..

Anything less than this will fail of success. Subsidies that may be sufficient in amounts, may be so given as to fail of securing the desired results. Hitherto Canadian efforts to secure ocean speed have been largely a failure. The contracting company is sure of its