Portland, Boston, or New York, once each way every fourth week, for the sum of 13,000 l. a year; and with reference to your intimation that the Lords Commissioners of Her Majesty's Treasury have approved of the contract for a period of one year, but wish to be furnished with any observations on the details thereof, with a view to alterations being made in the event of a continuation of the contract beyond its present term, I am commanded by my Lords to request you will state that no limitation is specified as to the minimum size and power of the vessels to be employed, whilst the time engaged for the performance of the voyage between Galway and Newfoundland, viz. seven days during the summer months, and eight days during the winter, is to be computed on an average of all the voyages performed during the year. No power is taken, therefore, to debar the employment of an inefficient packet, during the period of the present contract; and if the contract extended beyond one year, the superior speed of one vessel might compensate for the deficiency of speed of one or more.

No power of survey by professional officers appear to be taken by the contract, whilst a Clause, No. 10, is inserted to exempt the vessels from the opera-

tion of the Passenger Act.

As these vessels are, it is understood, employed in the conveyance of large numbers of passengers, it appears to my Lords very necessary that their efficiency in all respects should be duly certified by the officers of the Board of Trade, in accordance with the Act of Parliament; and that no exemption should be allowed on the score of the vessels being employed in the conveyance of mails, inasmuch as they are not subject to survey by the professional officers of the Admiralty.

No time is stated for the voyages between St. John's, Portland, Boston, or New York; and no time table is appended to the contract. These omissions, and several minor alterations might, in the opinion of my Lords, be beneficially

considered, in the event of a renewal of the contract

I am, &c. (signed) H. Corry.

The Secretary to the Treasury.

TREASURY MINUTE, dated 18 December 1858.

Write to Mr. Elliot in reference to his letter of 27th November. Transmit copy of letter from the Lords Commissioners of the Admiralty. Request Her Majesty's Secretary Sir E. B. Lytton will forward it for the information of the Governor of Newfoundland, and state that my Lords request that it may be distinctly understood, that before the question of any extension of the contract can be entertained, the terms of it must be submitted for approval to the Board of Treasury.

Sir E. B. Lytton to the Governor of Newfoundland. (No. 39.)

Sir,

With reference to the previous correspondence relative to the contract between the Government of Newfoundland and the Atlantic Royal Mail Steam Navigation Company, for the conveyance of mails between Galway and St. John's, I transmit for your information the copy of a letter which has been addressed to the Secretary of the Treasury by direction of the Lords Commissioners of the Admiralty respecting the terms of the contract.

It will, of course, be understood that before the question of any extension of the present contract can be entertained, it must be submitted for the approval

of Her Majesty's Government.

I am, &c. (signed) E. B. Lutton.

The Postmaster-General to the Lords of the Treasury.

My Lords, General Post Office, 21 December 1858. I HAVE the honour to return the accompanying papers, referred to me by your Lordships on the 1st instant, with a copy of a contract concluded between the Atlantic Royal Steam Navigation Company and the Government of Newfoundland for the conveyance of mails.

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