

In connection with their first appointment in July last, I beg to inform you that I have not received the necessary authority of the Governor in Council, called for by section 7 of the amending Act to which I have referred.

I am, sir, your obedient servant,

The Deputy Postmaster General.

J. L. McDOUGALL, A.G.

### Meritorious Conduct of Miss Burnham, Windsor, N.S.

AUDIT OFFICE, OTTAWA, February 9, 1898.

SIR,—I beg to inform you that I have received an Order in Council dated the 3rd instant, authorizing the payment of \$20 to Miss Burnham, "in recognition of her very meritorious conduct in removing, at considerable personal risk the post office cash and stamps and the registered matter, to a place of safety, on the occasion of the fire at the town of Windsor, N.S., in October, 1897," and to point out that, in my opinion, there is no parliamentary appropriation in the Supply Bill of the current fiscal year from which this sum may properly be paid.

I trust, therefore, you will not issue a cheque for the amount specified under your letter-of-credit, until Parliament has made the necessary provision in that respect.

I am, sir, your obedient servant,

The Deputy Postmaster General.

J. L. McDOUGALL, A.G.

### Cancellation of Mail Contract—Golden and Fort Steele.

AUDIT OFFICE, OTTAWA, March 2, 1898.

SIR,—I beg to inform you that I have received an Order in Council of the 22nd ult., authorizing the cancellation of a mail contract held by Mr. L. C. Fulmer, for the service between Golden and Fort Steele, in British Columbia, for the reason that the amount of the contract was not sufficient to cover the expenses, and further empowering the Postmaster General to enter into a new contract for the same service with Mr. W. D. Kerfoot at the rate of \$9,000 per annum—a sum considerably more than double the original contract amount.

The duration of this new contract will not, it appears, exceed six weeks, as by that time the Canadian Pacific Railway Co. will be prepared to carry the mails to Fort Steele and its vicinity over the branch line now in course of construction through the Crow's Nest Pass.

The contract with Mr. Fulmer covered a period of four years from July 1, 1897, but in view of the early completion of the Canadian Pacific branch line, and the more reasonable and expeditious means which it would afford for the transport of the Fort Steele mails, I presume it would not be in the public interest to allow the contract to expire through efflux of time; but it seems to me Mr. Fulmer should have been held to his responsibilities until the opening of the railway line, especially when not doing so caused increased cost for the service covered by his contract.

Under all contracts for mail service, the Postmaster General reserves to himself the right to cancel any agreement whenever he deems the public interest call for such intervention, by giving three months' notice to the contractor; but this reserved right does not empower him to release a contractor or his sureties from their obligations, for the reason that the contractor tendered too low in the first instance.

It seems to me that the department should have called on the sureties to come to the rescue of the contractor when he failed to carry out his contract, or else forfeit the amount of their bond.

I am, sir, your obedient servant,

The Deputy Postmaster General.

J. L. McDOUGALL, A.G.

POST OFFICE DEPT., OTTAWA, February 23, 1899.

SIR.—In reply to your letter of March 2, 1898, I have to say that the sureties for Mr. L. C. Fulmer, contractor, for carrying the mails between Golden and Fort Steele, have not been released. The service is one hundred and seventy-five miles in length, through a country a considerable portion of which is very rocky and rough, and required an equipment of thirty horses, with stations for supplies, &c. The sureties were in no position to carry on the service, and it was not deemed in the public interest to allow the