

I hope and trust that you will grant my request, by giving me the extension that I have been soliciting, and not hand me over to other persons; time is of much consequence to me.

I am sure it will give great satisfaction to the Lords of the Admiralty, who have recommended it to be granted.

I am willing to perform the service between Liverpool and Newfoundland, as proposed in my former communication to you, or, if you prefer it, I will put on a small steamer between Nassau and New York.

I remain, &c.
(signed) S. Cunard.

Treasury Minute, dated 2 March 1858.

WRITE to Mr. Cunard, that upon full consideration of his application, my Lords are of opinion that his present contract is yet too far from its termination to justify a renewal or extension; at the same time, state that my Lords are in every way satisfied with the manner in which he has performed the service, and they will be prepared to consider favourably any application he may make when his present contract has advanced nearer to a termination.

S. Cunard, Esq., to the Secretary to the Admiralty.

Sir,

Bush Hill, Edmonton, 20 March 1858.

I HAVE been, for some time past, most anxious to obtain an extension to the period of my present mail contract, which would enable me to build ships of a size to compete successfully with the American mail contract vessels.

The late Lords of the Admiralty were pleased to recommend my application to the Lords of the Treasury, who were also favourably disposed to my application for a short time; time is, however, of the greatest consequence to me, for the following reasons:

The late unfavourable state of mercantile affairs in this country and the United States have caused much derangement among the American mail contract steam ships. There have been neither passengers nor freight for several months past; and the owners of these ships were unwilling to send them across the Atlantic, at the most inclement season of the year, at a certain heavy loss, and they withdrew them accordingly, notwithstanding their obligations to their Government to carry the mails. They have also found that their expenses far exceeded their income, although they have received from their Government double the amount of subsidy paid to me by our Government. Their mail ships are now in the hands of the sheriffs.

This is therefore the time for me to come forward and show that I am not deterred by the unfavourable state of affairs, or by opposition, but intend to prosecute the service with vigour, by building other large and powerful ships, which may be the means of preventing the establishment of another American company for some time, the last company having lost a frightful sum. I, however, think that the American Government will never be satisfied to let the whole of the postal service fall into our hands.

If I had followed the example of the American mail packets, the postal service between this country and America would have been suspended during the winter, but I have not failed to perform the service with the same uniform regularity during the winter (when there was very little freight or passengers) as at all other times.

In consequence of the well-established character of our ships for regularity throughout the year, the greater portion of the letters and papers are conveyed by them. The Postmaster General of the United States, in his annual report (which I herewith enclose) states, that "our ships carry four-fifths of the whole Atlantic postage." I believe that the amount of postage received by our vessels is quite equal to the sum paid to me by the British Government, and that this regular and most important postal communication is kept up without cost to the country, which would otherwise fall into the hands of the Americans. This is too important