

*S. Cunard, Esq., to the Secretary to the Treasury.*

Sir,

Bush Hill, Edmonton, 9 January 1858.

WITH reference to a Report made by a Committee on Postal Service in the year 1853, in which it is stated that there was a loss by our mail steamers of about 60,000 *l.* per annum—(I have not the Report by me to refer to)—I was much disappointed by this statement, and on mentioning it to Lord Canning, he gave me permission to refer to the accounts at the Post Office, and Mr. Rowland Hill afforded me every facility I required. I found that the gross receipts by our steamers was there stated at 181,000 *l.*, but as the estimate was formed from an account taken in the month of December preceding, when there were but four departures, it was not exactly a correct statement; it should be—

|                                                | £.        |
|------------------------------------------------|-----------|
| If 48 departures in the year give - - - -      | 181,000   |
| Four additional will give - - - -              | 15,000    |
|                                                | <hr/>     |
|                                                | 196,000   |
| The contract is for - - - -                    | 173,000   |
|                                                | <hr/>     |
| Showing a balance in favour of contract of - - | £. 23,000 |

I ascertained that only two-thirds of the postage was carried to the credit of the account, the other third being deducted to cover charges; the rate of postage was then 1 *s.*, of which 8 *d.* only was carried to the credit of the account.

One of the charges was 2½ *d.* per letter allowed to the American Government, by agreement, on the letters carried by our steam ships; under the same agreement 25,155 *l.* was received from the American Government for letters carried by their packets; this was a clear profit, earned by our ships, and should have been placed to their credit; if we are charged with the amount paid to the American Government, we should have credit for the money received from the same source. There was also a charge of 22,804 *l.* per annum for extra expenses in England, being at the rate of 1½ *d.* per letter.

I observed also a charge of 5,535 *l.* for dead letters returned; I ascertained that we got credit originally at 8 *d.*, but when re-charged, it was at the full rate of 1 *s.* each; the difference being 1,845 *l.* I believe that the amount of the contract for conveying the mails to Bermuda, St. Thomas, and Newfoundland, was charged in the Report to the debit of this account, but it should not have been; it is quite a separate contract, and never was expected to produce any return in the shape of postage; the arrangement was made chiefly with the view of keeping up the communication with the West Indies and North American stations; the sum of 14,000 *l.* should, therefore, not have been charged to this account.

I am aware that it is of no consequence how the proceeds are appropriated, and it may be considered that I am taking a liberty in making comments on the accounts; but I know by former official published returns that the postage received by our steam ships far exceeded the sum paid to us, and I was surprised to learn that so great a change had suddenly taken place: I addressed a letter to Lord Canning at the time, containing the substance of this communication.

I believe this postal line, embracing as it does the correspondence between Europe and America, including the British Colonies, is considered to be the most important line of communication, and I also believe it to be the only self-sustaining postal line; but if its receipts were even not equal to the cost, I still think the Government would not allow it to be discontinued.

I have, &c.  
(signed) *S. Cunard.*

*S. Cunard, Esq., to the Secretary to the Treasury.*

Sir,

Bush Hill, Edmonton, 20 February 1858.

I BEG to enclose copy of my letter to you, dated the 9th January, which you did not recollect to have read, when I last waited on you.