

opinion that the practice of continuing contracts to existing holders has been carried to an extent which should no longer be sanctioned. We recommend, therefore, that in case any contract which has been long continued should fall or be near its close, ample notice should be given out that it should be put up to competition; and that from time to time recourse should be had to competition in all cases. If favour is to be shown to those who have performed their contract well, and we do not deny that it should, we still are of opinion that a continuance of private bargains is open to grave objection.

With respect to the conditions to be introduced generally into the contract, many suggestions will be found in the evidence and in the correspondence between the Treasury and the Post Office.

It is proposed that no specific sum should be paid, but the postage handed over to the contractors. That no time should be fixed for the continuance of the contract, but that it should be a running contract, terminable at a year's notice. That no stipulation should be made as to the size, the power, the number, or the inspection of the steamers, or other details, but that the contractor should be bound to perform the service under heavy penalties.

Your Committee think it would not be expedient to give to private parties any right to a portion of the public revenue. The old system of farming the revenue shows the inconvenience of such a course, and whatever may be the terms of a contract, the contractor will exercise the right, and not without a show of justice, of interfering and remonstrating on every movement of the Government which might be supposed to affect the amount of his remuneration.

We doubt much the expediency of a running contract, terminable at a short notice. Independent of uncertainty, to which the contractor will be exposed, and which, of course, must be a subject of consideration to him when he makes his offer, we see other inconveniences. The system will either fall into a permanent contract, from the disinclination of Government to disturb existing arrangements, or, if the power of terminating the contract is considered as real, there will be a danger of constant agitation by competing parties, and imputations of political jobbing, or, at least, inequality and caprice.

With respect to the proposal to abandon precautions as to inspection, and stipulations respecting the number and fitness of the steamers to be employed, we would consider that great caution is necessary; and where surveys for ascertaining the sufficiency of vessels are required, we incline to think that recourse should be had, as hitherto, to the Admiralty, rather than, as now proposed, to the Board of Trade.

The system of inflexibly insisting on penalties has been tried, but the result scarcely warrants us in giving our sanction to the abandonment of the precautions hitherto taken to ensure that a contractor should at least have adequate means for the performance of his contract. We should recommend, therefore, that if Government should consider it advisable to adopt any of these proposals, an experiment should be made at first on a small scale, and the result ascertained before it be sanctioned as a general rule.

In closing our remarks on this part of our subject, we cannot conceal our conviction that the well working of any system must depend on the careful attention of the Executive, checked by publicity, and the control of Parliament.

Your Committee cannot conclude their Report without recording their concurrence in the opinion expressed by the Treasury Committee of 1853 as to the practicability of dispensing with subsidies altogether in cases where ordinary traffic supports several lines of steamers, and their conviction that, in the circumstances which have for some years existed in regard to the communication between this country and North America, no such subsidies are required to secure a regular, speedy, and efficient postal service.

Many questions of interest, which do not fall within the terms of the reference to Your Committee, have been incidentally and almost unavoidably brought under their notice; such as those regarding the comparative merits of paddle and screw steamers for the conveyance of mails, or the propriety of allowing mails to be sent by vessels carrying emigrants. Your Committee abstain from giving