

App. , No.

were members of a Commission then inspecting harbours in Ireland with reference to the question of harbours of refuge, to visit Galway, and report, first, how far it was capable of being made a harbour of refuge; and, secondly, whether its advantages "would invest it with claims as a packet station. It was the visit of these officers to Galway, consequent on this instruction by the Admiralty, that had given occasion to the memorial of the Limerick Chamber of Commerce.

No. 357, p. 91.

That memorial was transmitted by the Treasury to the Admiralty, by whom a letter, dated 27th October 1858, was addressed to the Chamber, stating, "that the Commissioners were only instructed to report on certain points with respect to Galway Bay, on which Her Majesty's Government desired information; and that the comparative merits of the two harbours will be fairly considered before any decision is arrived at."

One other circumstance deserves to be noticed before going on with the details of the proceedings in granting the Galway contract.

Parl. Paper, No.
184, p. 26.Q. 1956-58.
Q. 2965.

It was on the 11th November 1858, that the remonstrance by Mr. Galt, Inspector General of Canada, already mentioned, was sent to the Secretary for the Colonies. That letter does not appear to have been transmitted to the Treasury, but it is referred to in a communication addressed to that department, of date 18th January 1859, by the agents in London of the Montreal Ocean Steam Ship Company, which held the postal contract with the Canadian Government.

Q. 2966-67.

In that communication to the Treasury, the company refer to a report that a subsidy had been promised to the Lever Company; and they set forth the circumstances of their contract with the Canadian Government; the means possessed by them for performing the service, and their apprehension that the Government might be induced "to aid in the establishment of a line of steamers, in opposition to that supported by the Canadian Government;" and they urge their claim for fair consideration in the allotment of any subsidy, and express their trust "that before interfering to crush a provincial company of such magnitude, your Lordships will at least afford the company we represent an opportunity of being heard." The receipt of their letter was acknowledged, and at an interview subsequently granted at the Treasury, they were told it would be taken into consideration; but no further notice was taken of it.

No. 230, p. 50.

On the same date with the Montreal Company's letter, viz. 18th January, the Directors of the Lever Company transmitted to the Treasury their tender, in which they proposed to contract to carry the mails from Galway to Portland, Boston, or New York, *via* St. John's, Newfoundland, for 3,000*l.* a voyage, the voyages to be fortnightly or weekly, as the Government may require, and the contract to be for seven years; the contractors being bound to deliver at St. John's telegraphic messages from the United Kingdom to British North America and the United States in six days, casualties excepted.

P. 54.

This offer was referred by the Treasury to the Postmaster General, by a minute of date 23d January, requesting "his Lordship's opinion as early as possible."

P. 52-3.

On the 12th of July, Lord Colchester returned a report, expressing his opinion, in accordance with the principles set forth in the letter of his predecessor (on the Cunard contract renewal), in which he states his concurrence; "that it is not expedient to enter into any contract for the service in question which would bind the Government for a number of years to a heavy annual payment;" and that the objections to this course are now "greatly increased" by the renewal of Mr. Cunard's contract. His Lordship also expresses "great doubt" whether the proposed arrangement for touching at Newfoundland, "in a nautical point of view, is judicious, owing to the risk and delay caused by the heavy fogs which prevail off Newfoundland;" and he concludes thus: "Under these circumstances, it seems to me very desirable that in the important mail service between this country and North America, a service for which, owing to the vast mercantile traffic between the two countries, private competition, irrespective of Government support, affords unusual facilities, Government should
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