

A new contract has been entered with Sir Hugh Allan, subject to the approval of Parliament, for the continuance of the Quebec and Portland weekly service with Liverpool *via* Derry, for five years from the 1st April, 1873, at the reduced rate of \$126,533 33 per annum instead of \$218,000 per annum, as paid under the contract about to expire. This reduced amount of subsidy will, it is estimated, be nearly balanced by the Postages on the correspondence carried by the Steamers.

CORRESPONDENCE WITH THE UNITED STATES.

The postage on Letters passing between Canada and the United States, for the year ended 30th June, 1872, was as follows :—

	Collected in Canada on Letters sent, Paid to the United States and on Letters received therefrom unpaid.	Collected in United States on letters sent paid to Canada and on letters received therefrom unpaid.
	\$ cts.	\$ cts.
In Mails passing between the Exchange Offices of Ontario and Quebec and the United States.....	172,965 75	185,630 57
In Mails passing between the Exchange Offices of New Brunswick and of the United States.....	32,632 73	31,408 74
In Mails passing between the Exchange Offices of Nova Scotia and of the United States.....	6,141 53	8,015 87
	211,740 01	225,055 18
		211,740 01
		436,795 19
The total correspondence with the United States amounted for the year 1871, to		393,082 74