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GALWAY PACKET CONTRACT
TRANSFER.

COPIES of the Proposed Assignments of the
GALWAY PACKET CONTRACT to the Government
of Canada, and COMMUNICATION stating the
Conditions or Modifications on which the San-
ction of Her Majesty's Government is sought to
that Transfer.

(*Mr. Dwyer.*)

Ordered, by The House of Commons, to be Printed,
3 August 1868.

9

GALWAY PACKET CONTRACT TRANSFER.

RETURN to an Order of the Honourable The House of Commons,
dated 16 July 1860;—for,

COPIES “of the proposed ASSIGNMENT of the GALWAY PACKET CONTRACT to the Government of *Canada*, and any COMMUNICATIONS stating the Conditions or Modifications on which the Sanction of Her Majesty’s Government is sought to that Transfer.”

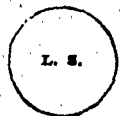
Treasury Chambers, }
2 August 1860. }

S. LAING.

THIS INDENTURE made the 6th day of July 1860 BETWEEN THE ATLANTIC ROYAL MAIL STEAM NAVIGATION COMPANY Limited (hereinafter called “the Company”) of the one part, and THE HONOURABLE SIDNEY SMITH the Postmaster General of Canada acting for and on behalf of the Government of Canada of the other part: WHEREAS by articles of agreement dated the 21st day of April 1859 between the Commissioners for executing the office of Lord High Admiral of the United Kingdom of Great Britain and Ireland (hereinafter called “the Admiralty”) for and on behalf of Her Majesty of the one part, and the Company of the other part, the Company covenanted to convey Her Majesty’s mails fortnightly from Galway in Ireland to Boston in the United States of America, and from Boston to Galway and fortnightly from Galway to New York in the United States of America, and from New York to Galway alternately by means of steam vessels to be provided by the Company, and the Company thereby covenanted to fulfil other conditions of the contract thereby entered into between the Admiralty and the Company: And in consideration of the due and faithful performance by the Company of all the services thereby contracted to be by them performed, the Admiralty agreed that there should be paid to the Company out of monies to be provided by Parliament, so long as they performed the whole of the services thereby contracted for, a sum after the rate of 1,500*l.* for each entire voyage out or home, the payments to be made by bills and on production of certificates as therein expressed, but subject to deductions as therein expressed: And it was thereby agreed that the contract should commence not later than the month of June 1860 and should continue in force for seven years or until the expiration of 12 calendar months’ notice from the Admiralty as therein expressed: And it was thereby provided that without the consent of the Admiralty signified in writing under the hand of one of their secretaries the contract or any part thereof should not be assigned underlet or disposed of: AND WHEREAS negotiations have for some time past been proceeding between the Company and the said Sidney Smith, as such Postmaster General of Canada, for the purchase and assignment of the benefit of the recited contract with the Admiralty and the said Sidney Smith, as such Postmaster General, has offered to become the purchaser thereof, for and on behalf of the Government of Canada, at the price or sum of 35,000*l.* a year for the period of seven years from the 26th day of June 1860, which offers the Directors of the Company have accepted, certain arrangements having been concurrently made to their satisfaction for capitalizing the said yearly sum, so as to free the Company from all risk of non-payment of the said yearly sum, and to provide them immediately with the value thereof in cash towards satisfying their immediate financial requirements,

and subject to a condition by which the Directors have stipulated that during the duration of the contract the service shall be performed to and from the port of Galway as provided for in the recited contract, and that the same shall be worked for the benefit of the people of Ireland as originally and always contemplated by the directors of the Company: AND WHEREAS it has been agreed that these presents shall be entered into and executed for the purpose of carrying the sale and purchase of the benefit of the recited contract into effect on the terms and conditions hereinafter appearing: NOW THIS INDENTURE WITNESSETH that in consideration of the premises, and for the considerations hereinafter appearing, but subject to the conditions hereinafter expressed, the Company do hereby grant assign and transfer unto the said Sidney Smith, as such Postmaster General for and on behalf of the Government of Canada, and his assigns, ALL those the recited articles of agreement of the 21st day of April 1859, and all sums of money to be payable thereunder to the Company for or in respect of the service to be performed under the recited contract, from and after the date hereof, except the service now in course of performance by the "Parana" steam vessel, and all other the benefit and advantage whatsoever of the same articles of agreement and of the contract thereby entered into between the Admiralty and the Company, and all the right title interest expectancy claim and demand whatsoever of the Company therein and thereto (all which premises are hereinafter called "the purchased premises") together with full power and authority for the said Sidney Smith or his successor in the office of Postmaster General of Canada, or his assigns, as the attorney or attorneys of the Company and either in his or their name or names or in the name of the Company, to demand, recover, receive and give receipts and discharges for the same monies, and in all other respects to enforce the recited contract and to obtain the benefit of the same and of the transfer thereof intended to be hereby made, TO HAVE RECEIVE TAKE AND ENJOY all and singular the purchased premises with the appurtenances, (but subject to the conditions hereinafter expressed) unto and by the said Sidney Smith and his successors in office and their respective assigns absolutely, but for the use and benefit of the said Government of Canada; PROVIDED ALWAYS and it is hereby agreed and declared that these presents are on this condition that these presents shall not take effect as an assignment or other disposition of the purchased premises or any part thereof, unless on or before the 19th day of July 1860 the consent of the Admiralty to the assignment intended to be hereby made of the same should be signified in writing under the hand of one of their secretaries, but on their consent being so signified these presents shall take effect as an absolute assignment of the purchased premises according to the tenor and true intent thereof; PROVIDED ALSO and it is hereby further agreed and declared and these presents are on this further condition, that if the consent of the Admiralty shall not be signified as aforesaid then on the 20th day of July 1860 these presents shall become null and void to all intents and purposes; And the Company do hereby for themselves covenant with the said Sidney Smith, his executors, administrators and assigns that the Company now are absolutely entitled at law and in equity to the recited contract and the full benefit thereof, And have not been party or privy to any act deed or thing whereby the purchased premises or any part thereof are is or can be in anyway avoided, impeached or prejudiced; AND ALSO that the Company will use their utmost reasonable endeavours to secure the consent of the Admiralty being signified as aforesaid, AND ALSO but subject to the consent of the Admiralty being signified as aforesaid That the Company now have full right and lawful and absolute authority to assign the purchased premises unto the said Sidney Smith, his executors, administrators or assigns as aforesaid, and that free and freely and absolutely discharged by the Company from all rights claims and demands whatsoever except only the liabilities hereinafter covenanted by the said Sidney Smith to be discharged; AND ALSO that the Company will not at any time before the consent of the Admiralty is signified as aforesaid make or suffer any act deed or thing whereby or by reason whereof the purchased premises or any part thereof can be in any way incumbered, impeached or otherwise prejudicially affected; AND ALSO that if the consent of the Admiralty shall be signified as aforesaid, the Company will from time to time thereafter at the request and expense of the said Sidney Smith, his executors, administrators and assigns make execute and perfect all such acts, deeds and things for the further
assurance

assurance of the purchased premises to him and them according to the true intent of these presents as by him and them and his and their counsel in the law shall be lawfully and reasonably advised and required; AND the said Sidney Smith doth hereby for himself his heirs executors and administrators and also as such Postmaster General for the Government of Canada, covenant with the Company and their assigns that if the consent of the Admiralty shall be signified as aforesaid, the said Sidney Smith or his successor in office or their respective assigns or the Government of Canada will pay to the Company or their assigns the yearly sum of 35,000 *l.* for the period of seven years from the 26th day of June 1860 without any deduction, the first payment thereof to be made on the 26th day of June 1861, and the seventh and last payment thereof to be made on the 26th day of June 1867; AND ALSO will on or before the 13th day of July 1860 dispatch or cause to be dispatched a proper and sufficient steam-vessel from Galway to Boston, or to such other port or place as the Admiralty shall direct for the conveyance therein of Her Majesty's mails; And will in all other respects and at all times during the continuance of the recited contract properly and sufficiently perform all the obligations thereof which if these presents were not made and executed it would be obligatory on the Company to perform, and will at all times fully and freely indemnify and save harmless the Company from and against all costs, losses, damages and expenses, claims and demands whatsoever by reason of any failure on his or their parts respectively in the due fulfilment of the recited contract; IN WITNESS whereof the said Company have caused their common seal to be hereunto affixed and the said Sidney Smith has hereunto set his hand and seal the day and year first above written.



Peter Daly,
John Gray,
G. L. Lascaridi, } Directors of the Company.

The Seal of the Atlantic Royal Mail Steam Navigation Company, Limited, was affixed hereto in the presence of

A. Boate, Secretary.

Sidney Smith. (L. S.)

Signed, Sealed, and Delivered by the above named Sidney Smith, in the presence of

Charles Bischoff, Solicitor,
19, Coleman-street, London.

BASIS of CONVENTION between the Imperial and Canadian Governments submitted by the Honourable *Sidney Smith*, Postmaster General of *Canada*, to Her Majesty's Government, on the 11th July 1860.

Art. 1. THAT the British Government shall, under the 43d Section of the Contract between it and the Atlantic Royal Mail Steam Packet Company, sanction the assignment to the Government of Canada of that contract as made by the Indenture of the 6th July 1860, between the said Company and the Honourable *Sidney Smith*, Postmaster General of Canada.

Art. 2. That the subsidy of 78,000 *l.* per annum, payable by the British Government under that contract, shall be payable to the Canadian Government, or parties authorised by them to receive it, from time to time, in accordance with the terms of the said contract and of this Convention, so long as the conditions are duly complied with.

Art. 3. The fortnightly service provided for by the said contract shall continue to be performed to and from the Port of Galway, and shall be worked for the benefit of the people of Ireland in all respects as provided by that contract.

The alternate weekly boat shall call at Londonderry, so as to give Ireland a weekly communication.

Art 4. Quebec in summer, and Portland in winter, shall be substituted for New York and Boston.

Art 5. The days of sailing shall be fixed by mutual consent of the Postmasters General of England and Canada, or in default of such arrangement, each party will retain the right of fixing the days of sailing on its own side.

Art. 6. The time for the sea voyage from port to port to be fixed at not less than 24 hours less than the average time of the sea voyages of the steamers of the Cunard line for the year 1859 from port to port, taken on the average of in and out voyages, and of summer and winter services respectively.

Art. 7. The British Government will endeavour to procure for Canada the subsidy heretofore paid for the Newfoundland Mail Service, and in the event of failing to obtain that subsidy, the Canadian Government shall not be required to deliver mails at St. John's, Newfoundland.

If the Canadian Government shall have a line of telegraph constructed to Belleisle, at which telegraphic messages may be delivered in as short a time as at Newfoundland, the British Government shall allow Belleisle to be substituted for St. John's, as the place of call for such messages.

If such telegraph be constructed, the British Government may have the use of it for Government messages, free, with priority over all other messages, except those of the Canadian Government, for a payment of 2,000 *l.* a year.

Art. 8. The service shall be performed by the Canadian line of steamers, and under and in accordance with the terms of the contract between the Postmaster General of Canada and Hugh Allan, Esq., proprietor of that line, so far as consistent with this Convention, the Canadian Government being responsible to the British Government for the due execution of the terms of the Convention.

Art. 9. Until some other arrangement can be made with the United States, one cent to be taken from the 16 cents on United States' letters carried through Canada, and allowed to Canada towards inland postage before the division of the ocean postage.

Art. 10. Sea postage upon newspapers sent from Europe shall be taken into account at the rate of one cent each.

Art. 11. The net sea postage earned by the weekly Canada line shall be divided equally between the Imperial and Canadian Governments.

Art. 12. This Convention shall continue in force unless modified by mutual consent, for the same term as the contract with the Atlantic Royal Mail Steam Packet Company, viz., until June 1867.

The Postmaster General of Canada to the Lords of the Treasury.

My Lords,

London, 30 May 1860.

THE Committee of the House of Commons on Packet Contracts having made its Report, it is now my duty to bring under your Lordships' notice the subject referred to in the communication of the Honourable John Rose, dated 16th August last, a copy of which I beg leave to enclose herewith.

Since the date of that communication, the position of matters referred to therein, has materially changed. The proprietor of the Canadian line of steamers, finding that he could not sustain the line upon the subsidy provided by the contract with the Canadian Government, applied for additional assistance, and an arrangement was made to give, in addition to that subsidy, an amount equal to the

the postages upon correspondence carried by his ships. Under the apprehension that this would be insufficient to meet the loss which he would sustain in the performance of this service, he made an arrangement with the Galway Company for a transfer of their contract with the British Government upon such terms as he conceived would have enabled him to carry out that service in connexion with the service contracted for with the Canadian Government. Unfortunately, however, Her Majesty's Government did not then consider that they were in a position to concur in the arrangement; it was consequently abandoned, and cannot now be renewed, and very grave doubts are entertained as to the ability of the Galway Company to fulfil its contract.

In the month of February last, finding, upon the information then before them, that the Canadian line of steamers could not be sustained without further pecuniary assistance, the Canadian Government submitted to Parliament a measure for the relief of the contractor, and granting a subsidy of \$416,000 in lieu of the former subsidy of \$220,000.

In the Act increasing the subsidy to the Canadian steamers, provision is made for aid to a line of telegraph from Father Point to the Straits of Belle Isle: the distance from the Straits to Ireland is about 1,540 miles. Arrangements are far advanced for the completion of this line during the present season, and not only will the shortest communication between Europe and America thus be established, but other advantages of a national as well as a provincial character obtained. Stations will be established at suitable points which parties can reach in case of disaster, shipwreck, or vessels in distress, and from which they can apply for succour and assistance. In this way much loss of life and property will be prevented. The conditions of the gulf and straits as to ice can at all times be ascertained with certainty, and thereby much loss of time and danger to vessels be avoided. Telegraphic communications, carried by Canadian steamers, will be received from, and forwarded to all parts of the continent, with greater facility and expedition than by any other means.

The recent change in the commercial policy of Great Britain, by which the duty upon foreign timber has been removed, will have a most detrimental effect upon the timber trade of Canada.

No complaint has been made, although no intimation was ever given of the intended change; but it has been found necessary to adopt a new policy for Canada, in order to avert, as much as possible, the evils anticipated therefrom, and to prevent the entire trade of the St. Lawrence from being destroyed or diverted into American channels through the subsidies to lines of steamers plying to the United States ports of Boston and New York. Free ports have, therefore, been established in the Gulf of St. Lawrence and at Sault St. Marie, on Lake Superior, and the tolls upon the provincial canals, and the light and lake dues upon the St. Lawrence have been abolished. These measures have been adopted with a view of fostering and encouraging the trade and commerce of the country, and upon the confident expectation that some arrangement would be made by the Imperial Government for placing the interests of Canada and the enterprise in question upon a fair footing, so soon as the Committee of the House of Commons had made its reports.

An attempt was made during last winter to sustain the line by making Queenstown a port of call for the Canadian steamers: at the time the Canadian Government assented to the arrangement, they were unaware that it was in contemplation to make it a port of call for the Cunard steamers; but before the proprietor of the Canadian steamers could perfect his arrangements for that purpose, the Boston steamers of the Cunard line were required by the British post-office authorities to make Queenstown a port of call, and in April last the New York ships came under the same arrangements: under such circumstances, and after several months' experience, it has been found necessary to change the port of call for the Canadian steamers to some port in the North of Ireland, and Londonderry has now been selected for that purpose.

The advantages to be derived from this change are, that opposition of the Cunard and other lines of steamers touching at Queenstown, will be avoided; a saving in the length of voyage of about 300 miles will be effected, and the North of Ireland and Scotland will be accommodated with the same postal and commercial facilities which through other lines of steamers are already enjoyed by the south and west of Ireland and England.

Nova Scotia now enjoys semi-monthly communication with Europe by the
Cunard

Cunard line; similar advantages will be obtained by Newfoundland through the Galway line, while Canada alone (so far as assistance from the British Government is concerned) is without any service, and the interests of the province have been and are imperilled through the refusal of the Imperial authorities to extend to it similar consideration and relief. It has been asserted that Canada is sufficiently served with postal communication by the Cunard line, although those vessels ply to United States ports; but to prove how utterly unfounded is this assertion, and how necessary it was that Canada should establish the existing service, I take the liberty of enclosing herewith a Table compiled from authentic and accurate returns in the Canadian Post Office department, showing that correspondence is actually retarded, rather than expedited, by that mode of conveyance. It has happened not unfrequently during the past year that the mails forwarded on Thursday by Canadian steamers have reached the Canadian cities in advance of the mails forwarded by the Cunard steamer which sailed on the previous Saturday. The mails for Europe have obtained still more marked advantages by being forwarded by Canadian, instead of by Cunard ships; under the circumstances, it cannot be held that any portion of the subsidy paid to the Cunard line is fairly chargeable to Canadian purposes; but even were it otherwise, the material and commercial interests of the province, far more important than questions of mere postal convenience or accommodation, are involved in this question, and should be considered. That such matters are taken into consideration even by the British Post Office authorities is manifest, from the fact that while they insist that the Treasury is not reimbursed through the postages upon correspondence carried by Cunard ships for the subsidy paid to that line, they have nevertheless unceasingly exerted themselves with the United States authorities to bring about a reduction of the sea postage upon that correspondence. It may not be out of place to mention, that not only is correspondence for Canada delayed when diverted from the Canadian steamers, and forwarded by Cunard ships, but Canada is deprived of the postage thereon, and the Canadian public are subjected to a higher rate of postage for the inland American rate, which goes into the coffers of the United States.

In addition to the delay and expense attending the transmission of Canadian correspondence by Cunard steamers, the establishment of Queenstown as a port of call for Cunard steamers, by which the Canadian line have been driven to abandon it, and seek another port, and in addition to the inability of the British Government to concur in the arrangement for the transfer of the Galway contract to which I have alluded, in the last report of the Postmaster General, published in the month of March last, it is stated, "that a contract has been concluded, by giving an additional mail once a fortnight to the United States and Canada, by means of packets to ply alternately between Galway and Boston and Galway and New York. The service is to begin not later than next June." The effect of this arrangement (if carried out) will be to divert from the Canadian steamers another large portion of correspondence, both for Canada and the United States; this correspondence will be more delayed than that conveyed by the Cunard line, in consequence of the detention occasioned by calling at St. John's, Newfoundland: again will Canada be deprived of a source of revenue to which it is fairly entitled. The correspondence of the Canadian people will be subjected to greater delay and expense than if it were transmitted through the channel provided and paid for by their own Government; and again will they be compelled to contribute to the finances of the United States Government.

It is now felt to be a serious grievance that Canada is not allowed to do her own business by means which the province has provided and paid for, and from which it would in a measure be reimbursed the outlay. This new arrangement will much increase the evil.

If it could be alleged that the service was more efficiently performed by the other lines of steamers, and that the Canadian people desired their correspondence forwarded through channels other than their own, or could it be asserted that the sum paid by the British Government to the Cunard line was largely in excess of the revenue derived from the service, the necessity or desirability of the existing state of matters could be understood; but such, as it appears to me, are not the facts.

By the report of the British Post Office, just published, it is stated, that the amount paid for the service by Cunard line (embracing a sum of 14,700 l. for the line

GALWAY PACKET CONTRACT TRANSFER.

15

line between Halifax and Bermuda and Halifax and St. John's, and 3,000 l. for the line between New York and Nassau, is	- - - -	£. 191,000
Deduct these two sums	- - - -	£. 14,700
And	- - - -	3,000
		<hr/> 17,700
Leaving amount paid for Transatlantic service - £.		<hr/> 173,000
	Or - - - \$.	840,505
By the report of the Postmaster General of the United States, dated 3 December 1859, it appears that the aggregate amount of postage (sea, inland, and foreign) on mail conveyed to and from Europe, by the several lines of mail steamers employed by that department, was \$ 484,668 ⁵⁴ / ₁₀₀ , and by the British - \$		805,629. 24
Leaving balance of	- - - -	<hr/> \$ 34,876. 76

against the foreign postages and postages upon correspondence for Canada, and all the other British American provinces. It also appears, from the evidence given by Sir Samuel Cunard before the Committee of the House of Commons, that the payment of the subsidy for the service performed by the Cunard line occasions no pecuniary loss to the country.

Upon the establishment of the Cunard line, it was arranged that a branch service should be maintained between Halifax and Quebec; but that was subsequently abandoned. Arrangements have now been made by which Canada will have a regular weekly communication in summer between Quebec and Picton in Nova Scotia, and Shediac in New Brunswick, by steamers running in connexion with the Atlantic steamers. The Postmasters General of those provinces have been invited to avail themselves of the advantages thus afforded them of a regular weekly communication with Europe. In winter the service will be maintained with New Brunswick by means of a steamer running between Portland and St. John's, New Brunswick, in connexion with the Canadian steamers.

I may remark, that during the Crimean war the Cunard line were compelled, from the necessities of the empire, to reduce the service with America to a semi-monthly one.

The Canadian steamers were all employed as transports by the British Government, and I am quite prepared to say, that, were the necessities of the empire ever again such as to call for the service of the Canadian steamers, the people of Canada would in any event readily forego the advantages afforded by their line, and cheerfully place their ships at the service of Her Majesty. In the Canadian steamers the Imperial Government, in case of need, will have a fleet of first-class steam transports, and therefore, upon national as well as upon other grounds more purely of a provincial and commercial character, the Provincial Government feel justified in asking the aid of the Imperial Government to this most important and most cherished provincial enterprise.

Arrangements were made in November last between the United States and Canadian Post Office authorities for the transport of United States mails by the Canadian steamers, from which it is anticipated that a considerable revenue will be derived; but the service has not been sufficiently long in existence to afford any satisfactory evidence as to what will be the pecuniary result from it.

Under these arrangements, provision was made in November last to forward supplemental mails for America by Canadian steamers from Queenstown, on the Thursday of each week, and the British Post Office undertook to defray the expense of the special service between Dublin and the ships.

Since that time it has been arranged by the United States authorities that supplemental mails shall be forwarded by another line of steamers (the Inman line) from Queenstown.

The British Post Office has assented to the arrangement, and the expense of the special service, originally undertaken to benefit the Canadian line, is now intended to be continued for the benefit of another line, and for a foreign country, and in a way that will deprive Canada of a large proportion of the advantages likely to have accrued from these arrangements.

A practical difficulty has also arisen in the working of the arrangements as regards the French mails for and from the United States.

The British and United States offices desire the French authorities to account directly to the United States office for the postage on such correspondence as may be carried by Canadian ships.

The French authorities insist that such a course is inconsistent with the postal treaties between the three countries, and that by such treaties they must account to the British Office for postages upon all correspondence carried by ships sailing (as the Canadian ships do) under the British flag. The adoption by the British Government of the Canadian ships as British postal packets will alone save these arrangements from becoming abortive.

I beg leave to refer your Lordships to those parts of the Report of the Committee having especial reference to the position of Canada, and particularly to those parts of it in which it is asserted that the Committee "are of opinion that matters remaining on the footing on which they now stand, the results must be very unsatisfactory;" and "in the meanwhile this country and her Colony present the spectacle of competition against each other, by maintaining rival subsidized lines at a great mutual cost to the respective Governments."

With a view to avoid such unsatisfactory results, and to demonstrate the superior advantage of the St. Laurence route, to place the Canadian line of steamers upon as favourable a footing as lines running to other British Colonies, to remove the only feeling of dissatisfaction which exists in the province in reference alone to the subsidies granted by the Imperial Government to lines of steamers in the benefits of which all other Colonies, with the exception of Canada, participate, to remove all cause of discord and dissension which, under existing circumstances, exists, and will naturally arise between the Post Office departments of the mother country and Canada in their efforts to divert correspondence from one line to another line of steamers, to remove a just and serious cause of complaint, the excessive charge for postage upon Canadian correspondence carried by the Cunard ships, to develop and foster the commercial and other interests of the province, and at the same time to enable Canada to cultivate more intimate commercial and other relations with the sister provinces through the means to which I have adverted.

I have the honour to submit to your Lordships' consideration a proposition, through which I believe these objects will be attained, and no considerable expense to the Imperial Government will be occasioned, viz., that the British Government will grant a sum of 50,000 *l.* sterling per annum as a subsidy to the Canadian line of steamers, the Provincial Government undertaking to contribute an equal amount. That the postage on Canadian correspondence, by whatever line it may be forwarded, shall be reduced to the same rate as is now charged upon correspondence sent by Canadian steamers; that the postage upon all Canadian correspondence, by whatever line transported, and all postages upon other correspondence carried by Canadian ships, shall be equally divided between the Imperial and Provincial Post Office departments, and in the event of there being any excess of postage beyond the whole subsidy paid, that the Canadian department shall receive that excess.

I make this proposition subject, of course, to any alteration or modification which Her Majesty's Government may suggest.

I have, &c.
(signed) *Sidney Smith.*

To the Right Honourable the
Lords Commissioners of Her Majesty's Treasury.

Enclosure No. 1.

No. 91, Victoria-street, Westminster.
16 August 1859.

My Lord Duke,

REFERRING to the interview with which I was favoured some days ago, and to the subject of the Transatlantic packet arrangements then discussed, I have now the honour to state, in writing, the substance of the objections which Canada entertains to these arrangements, and to renew the expression of my earnest hope that a just consideration may yet be extended to colonial interests by the Imperial Government.

Your Grace is aware that an address of the Legislature of Canada to Her Majesty was adopted last Session, in which the position of the Colony and the injurious operation of the

two lines subsidized by Great Britain to foreign ports were fully pointed out. I would here, however, briefly again advert to them.

The avowed intention of the first contract entered into with Mr. Cunard was to facilitate communication between the parent State and her North American dependencies, and the mails for Canada were for some time conveyed by a branch steamer from Halifax to Quebec. The Cunard Company, however, finding it difficult and expensive to keep up this branch steam service, it was discontinued. The great bulk of the Canada mails have since been conveyed from England direct to New York and Boston, and thence across the United States territory to the province.

No objection was made in Canada at the time to this arrangement, both because the enterprise was a new and deserving one, and because the Colony did not then possess any railway communication of its own from the sea-board to the interior of the country, nor had the new interests arising from the completion of the public works of Canada then come into existence. During the continuance of the various Cunard contracts, the province felt that it could not ask in its own interest for any change which might involve the slightest breach of faith towards the contractors, but a confident expectation was indulged that when the period arrived for considering the continuation of the service, no renewal of the agreement would take place without negotiations to which Canada might be a party, and that the new and important relations of a national character which had arisen in the meantime would be fully discussed.

That she was justified in indulging this expectation will, I think, be abundantly manifest by referring to the communications which have taken place between the two Governments to some of which I will presently advert.

It is not merely with reference to the postal requirements and convenience of Canada, however; that this question is to be considered. It involves considerations of a higher and more extensive character, which affect as well the future prosperity of the province as the extensive and various interests of British subjects existing there. To these general considerations I would first very briefly call the attention of your Grace.

The efforts of Canada have for many years been directed to develop the trade of the St. Lawrence, and attract the commerce of the western states of America to Europe through her territory, by the construction of extensively and costly works of internal communication.

So important were the works considered, that in the year 1842 Her Majesty's Government called on Parliament to afford its assistance in aid of the undertakings, and a loan was accordingly raised on the Imperial credit for that purpose. I cannot better point out to your Grace the importance of these works than by quoting the words of Lord Derby, then Principal Secretary of State for the Colonies, in a Despatch addressed to the Governor General of Canada, on the 2d April 1842: "It remains to be considered what are the public works towards the accomplishment of which it would be most desirable that the credit of this country should be applied; and I apprehend that there can be no doubt as to the principle to be applied in selecting such as partake least of a local, and most of a general character, as tend most to the extension of the great lines of communication, and the promotion of trade and intercourse, rather than such as tend more to the immediate local advantage of particular districts. These last are objects perhaps for aid from the provincial treasury, but primarily to be promoted by local exertion. The former are objects of colonial, and I may even add, of national interest and importance.

"Foremost amongst them stands the improvements of the navigation of the St. Lawrence this mighty stream, with its chain of lakes and its tributary rivers, forms the great natural highway of Canada; and not only of Canada, but also of a great portion of the United States, and of very extensive tracts of unoccupied fertile country, belonging both to ourselves and our neighbours, which will form flourishing states and provinces in the time of our children and grandchildren.

"To throw this great highway completely open, by means of substantial and permanent public works, would be an undertaking worthy of British enterprise, and one which, although chiefly and primarily essential to the advancement of Canada, would probably, both in a commercial and political point of view, not be without its advantage to the mother country.

"I do not at all question the propriety of a public expenditure for objects of this description, and in authorising you to state to the Provincial Parliament that Her Majesty's Government will be prepared to sanction a loan of 1,500,000 *l.* for the improvement of the public communications in Canada, whether by land or water, you will understand that the Legislature will exercise a discretion as to the works to be undertaken, so that the improvement of the St. Lawrence and the lakes be the first object, and that the total amount to be raised on British credit do not exceed the stipulated sum of 1,500,000 *l.*"

It may not be improper to add that the same course of policy had been approved of and adopted by Lord John Russell, who preceded Lord Derby as Colonial Secretary, and that he addressed Despatches of similar import to Lord Sydenham, in January and in May 1841.

Since that period Canada has steadily pursued the policy of extending her works of internal improvement to the full measure of her resources. Canals uniting the Great Lakes, and affording uninterrupted navigation, even for sea-going vessels, to the foot of Lake Superior, have been constructed. Numerous lighthouses, extending from the western frontier of the province to the coast of Labrador on the Atlantic, a distance of nearly 1,600 miles, have also been erected, and are maintained at a very heavy annual charge by the

the Colony, without the exaction of any dues on shipping for their support. There is likewise maintained, by the payment of a large provincial subsidy, a line of powerful iron tug steamers in the Gulf of St. Lawrence, which are available at almost nominal rates for the towage of vessels trading to Canadian ports. It may fairly be asserted that the province possesses the most extensive system of inland water communication in the world.

In these enterprises nearly the whole direct public debt of Canada, amounting to about 7,000,000 L., has been expended.

There have also been constructed lines of railway extending from the Atlantic sea-board as far west as Sarnia, on Lake Huron, by means of which, on the completion of the Victoria Bridge, in November of the present year, an unbroken communication by the Grand Trunk Railway alone, of nearly 1,100 miles, to the interior of the country, will exist. Other lines, extending to all important sections of the province, have likewise been built, and these Canadian roads, at their westerly extremities, connect with the United States lines leading north as far as Minnesota on the one hand, and south to New Orleans on the other. Provincial aid has been largely extended towards their construction, and many millions of British capital are invested in them.

The magnitude and importance of the trade of the regions lying to the west of Canada, which seek an outlet to Europe for their products, are well known to your Grace, and will be admitted fully to have warranted this large outlay to secure it.

It has been conclusively shown that these Canadian channels of communication afford the nearest and most direct route from Europe to the western States of America, and it was confidently anticipated that, on completion of her canals and railways, the province would obtain a share of this commerce, which might alike render her own provincial works productive, and the private enterprises adverted to, remunerative to the projectors.

In endeavouring to attract this western trade, she had to incur not only the competition of the American cities of Boston and New York, and of the powerful interests connected with the railways leading to them, but also the direct rivalry of the State of New York itself, by which the Erie Canal from the lake of that name to the navigable waters of the Hudson River, had been constructed as a Government undertaking.

The large subsidy paid by the British Government to the Cunard steam-ships, has, it is well known, operated as a direct bounty to the ports of New York and Boston, and, as was shown by evidence laid before the Canadian Legislature, the effect was greatly to draw the trade into the American channels leading to those cities, thus defeating the object which Canada sought to accomplish in the construction of her public works.

So painfully adverse to the interests of the Colony was the course of trade becoming, that Canada felt herself compelled to undertake a direct mail steam-ship service with Liverpool from the St. Lawrence fortnightly in summer, and monthly in winter, to Portland, in the State of Maine, the Atlantic terminus of the Grand Trunk Railway.

The establishment of this even occasional communication so abundantly showed the advantages of the St. Lawrence route, and the provincial objects to be attained were so important, that the Government increased the service to a weekly line, by granting a subsidy of 55,000 L. currency, or about 45,000 L. sterling a year, and this line has been in successful operation since April last. It is composed of eight first-class screw steamers, of the burden of from 1,786 to 2,200 tons, and from 350 to 450 nominal horse power. These ships have been built expressly for the service, at a cost of nearly 650,000 L. sterling, including the necessary tenders; and their voyages for regularity and speed can compare most favourably with those of any other company. The average length of their voyages has, I am informed by the contractor, been 10 days and 23 hours eastward, and 11 days and 17 hours westward; while that of the Cunard ships was, westward to Boston, 12 days 21 hours, and to New York 12 days and 15 hours; and eastward, from Boston, 11 days and 4 hours, and from New York 10 days and 21 hours. During the present year, since the new ships have been placed on the line, the contrast is presumed to be still more in favour of the Canadian ships, one of them in the "Hungarian" having performed three consecutive voyages across the Atlantic in 27 days and 23 hours. The eminent success of this line has clearly demonstrated the superior advantages which the route offers, as well for emigration and commerce, as for the transmission of mail matter to all parts of America.

When the experiment was entered upon by Canada, these considerations were placed before Her Majesty's advisers, and I would take leave to direct the attention of your Grace to a Despatch, dated the 2d September 1856, from the Governor General of Canada to the Colonial Secretary, wherein the claims of the Canadian line to Imperial consideration are thus stated:

"2. I may perhaps be allowed to add, that there is a point of view in which a Canadian may look at the whole question somewhat different from that in which it has presented itself to the authorities at the General Post Office.

"3. A Canadian may ask, 'Why are we in Canada obliged to pay a subsidy at all for a line of steamers running into the St. Lawrence to a British port, by a route which we hold to be the most advantageous route?' The merits of the route itself might make our subsidy unnecessary, were it not that Her Majesty's Government give a large bounty to a line running to foreign parts.

"4. It may be admitted that Canada was benefited by the rapid transmission of the mails through the United States, but she was no party to the arrangement as one which could never be revoked. Canada now thinks that she can arrange for the conveyance of her own mails, to and fro, by way of Quebec in summer and Portland in winter, more rapidly
and

and advantageously than by Boston and New York. Why should Her Majesty's Government discourage this new enterprise on the part of Her Majesty's subjects, and by a large subsidy drive the business only to the United States ports?

"5. As a matter of course, we cannot ask for any breach of faith towards the present contractors. We cannot ask for a sudden termination to an arrangement of which we have had the full benefit; but we may surely ask that no renewal of that arrangement should be made without hearing what Canada has to say when the opportunity occurs. We may hope that no course will be pursued adverse to the principles of free trade, by the continuance of a large bounty to the Boston and New York lines.

"6. Leave the natural advantages of the St. Lawrence and Portland route to find their own level in the market, and in the meantime do not use all the influence of the British Post Office, and the assumed meaning of the existing arrangement respecting the 6d. and 5d. postage, so as to bear as hardly as possible on the first effort of this Colony to open the St. Lawrence to a regular line of British steamers."

In reply to this Despatch, the new Colonial Secretary informed the Government of Canada, on the 3d December 1856, that after communication with the Lords Commissioners of the Treasury, he was apprised by their Lordships that the existing arrangements with respect to the Canadian mail service would be continued until the expiration of Mr. Cunard's contract, when they hoped that an arrangement more in conformity with what they would regard as an equitable consideration for the finances of this country might be effected.

After these communications, and knowing that the Imperial Government had been made aware of the continued existence and successful working of the colonial line, Canada had a full reliance that no new arrangement with the Cunard line, or any other would be made, and that no extension of existing contracts would be granted for the continued conveyance of the mails to Boston and New York, without previous intimation to the provincial Government, and then only after a full discussion of the relative advantages of the different routes, and of the important national considerations which were inseparable from the service.

It was therefore with surprise and regret that the Canadian Government became aware, through certain members of it, who were in England on public business, in November last, that it had pleased Her Majesty's Government to renew the Cunard contract several years, in anticipation of its expiring, without any intimation whatever to Canada, or giving her any opportunity of showing not only that the American and Canadian mail service could have been performed more expeditiously and far more cheaply by the St. Lawrence in summer, and by Portland in winter, but that a serious and lasting injury would be inflicted on the commerce and revenue of the Colony, to the advantage of a foreign country. One of the objects which are stated to be aimed at in the extended arrangement is thus defined in a communication, dated the 19th June 1858, from the Secretary of the Admiralty to the Secretary of the Treasury:

"My Lords have to observe, that the present contracts by which the weekly communication with North America is maintained, are not terminable (excepting on default) till the 1st of January 1862, and that the ostensible object of the contractors, in their application at this early date for an extension of the period, is to enable them on the security so afforded of the continuance of the Government subsidy, to embark additional capital in the construction of still more powerful steam-ships by which to outstrip all competitors and maintain the superiority of the British line. This object appears to my Lords of national importance, and in the maintenance of this line, considerations of greater moment than those of a postal nature must have weight, when it is borne in mind that it is the connecting link between this country and her vast possessions across the Atlantic, and that in the event of the withdrawal of adequate support, the British line will be supplanted by foreign competitors, whose Government would probably again grant to them larger subsidies than those paid by this country."

It will not, I trust, be considered unreasonable, if I express my profound regret that one of the most important of these possessions was precluded from the opportunity of showing in what way the objects aimed at could be best accomplished, and that the course actually taken is more calculated to destroy than maintain the true connecting link between England and that possession.

It is with equally painful emotions that Her Majesty's Canadian subjects have become aware that another line, known as the Lever Line, has been subsidized by the Imperial authorities, which is likewise intended to ply to United States ports. The establishment and continuance of such a line cannot fail to augment the injury to the commerce, and continue the unsatisfactory and irritating arrangements, by means of which the postal communications with Canada are affected. Whatever Imperial considerations may have induced Her Majesty's Government to provide for a direct communication between Ireland and America, the Canadian Government cannot believe that it was intended thereby invidiously to foster the commerce of an emigration to the United States, to the distinct injury of Canadian interest, a result which much necessarily follow if the cities of New York and Boston are made the terminal ports of this line on the American side.

It would certainly seem that Canada is placed in a much less favourable position than other English colonies in regard even to the postal intercourse with Great Britain. Lines are maintained by large subsidies to the British possessions in Australia, in South America, in the West Indies, and the Mediterranean, but with respect to Canada, her mails are conveyed

first to a foreign country, and then through that foreign country, at a heavy expense, to her own territories.

Having thus adverted to the more general considerations which affect the question, I deem it my duty respectfully to point out to your Grace the consequences which, in my opinion, must follow the failure of the Canadian line. The fact that an enterprise so essentially tending to promote the general interests of an important Colony, and necessary to prevent its trade from being diverted into foreign channels, is crushed by the superior advantages conferred by England on lines whose interests are avowedly and exclusively with a foreign country, cannot but produce deep and general dissatisfaction; and in the absence of more cogent reasons than have yet been assigned for the renewal of the one and the establishment of the other, give rise to an opinion that colonial prosperity has been needlessly sacrificed to promote the interests of private companies. Apart from this, that many millions of English capital are invested in the Grand Trunk, the Great Western, the Northern Railways of Canada, and other private undertakings of a similar character, which undertakings it has been the effort of Canada to make productive by attracting, through the means already adverted to, a direct trade between Europe and the West, and that the future prosperity of these enterprises will be most disastrously affected by the withdrawal of the Canadian weekly steam service, ought not to be without their weight. A return to the former service to New York and Boston, maintained by Imperial subsidy, will continue to make every inhabitant of Canada a direct contributor to the United States revenue. The amount of postage on the Canada mail matter by the Cunard line is, I understand (though I cannot vouch for the exact figure), estimated at from 32,000*l.* to 39,000*l.* a year, of which the United States transit charge is about one-third, or from 11,000*l.* to 13,000*l.* a year; when it is considered that not only need no portion of this amount be paid, that it is a tax on the Canadian people, directly attributable to the continuance of the subsidy to the United States lines, and moreover, that delay in the receipt of the mails to the Canadian community is entailed by the circuitous route so fostered through a foreign country, it will not be surprising if a state of things so anomalous, which the Colony is struggling to the full measure of its resources to remove, will, if continued, produce extreme irritation among its inhabitants, since every mail reminds them of a direct contribution to the American exchequer. I need hardly advert to the obvious fact, that by the subsidies in question a bonus is given to divert the most needy class of emigrants from proceeding to a British colony, where their labour and capital are so much needed, and to encourage their settlement in the United States.

I have thus imperfectly, though, I fear, at somewhat too great length, endeavoured to point out to your Grace the peculiar and exceptional position of the province whose interests I am charged to represent. Its special claims to Imperial consideration, and the injury which the existing state of things will, if continued, inflict upon it, in what form and to what extent a proper measure of relief can be accorded, I leave to the consideration of the Government of which your Grace is a member; I would, however, venture to suggest one or other of the following plans, as being likely to attain the object which we seek to accomplish:

1. A direct subsidy to the Colonial steamers. If it be true, as Mr. Cunard states his belief to be, that the amount of postage received by his ships is equal to the sum paid to him by the British Government, and that the line is kept up without cost to the country, surely the Canada postal communications are sufficiently important to justify an Imperial subsidy, equal, at least, to that which the Colony contributes, even if the important commercial considerations which I have adverted to, were to be disregarded.

2. A payment by Great Britain of a stipulated sum for the conveyance across the Atlantic, and to the western limits of Canada, of the mails to British Columbia, which the province offered to perform in terms of the Minute of Council of the 13th June last, to which I have had the honour of again calling your Grace's attention in a separate communication.

3. If it is found that the arrangements with the Cunard line and the Galway line have gone so far as to be irretraceable, then that some such modification of the service be, if possible, required of one or other of the contractors, as may by means of its joint performance by the Canadian and English contractors, still continue to Canada a direct weekly communication. I am not prepared to say how far this latter suggestion is practicable in detail, but I doubt not the Canadian Government would be prepared to listen favourably to any reasonable proposal that would prevent the important objects the province had in view in the establishment of the line, from being defeated, which they would be should the Canadian line be forced to succumb, as it soon will, under the competition maintained by the two Imperial subsidies.

I beg your Grace will accept as my apology for the length of this communication, that I feel in common with, I believe, all Her Majesty's subjects in Canada, a strong sense of the serious injury to which the interests of the Colony are exposed, and that I entertain a firm assurance that your Grace will not only give an impartial and careful consideration to the facts I have stated, but will be disposed to promote the reasonable claims of this important dependency of the empire.

His Grace the Duke of Newcastle,
Colonial Secretary.

I have, &c.
(signed) *John Rose.*

Enclosure No. 2.

STEAMSHIP.	FROM		AT		Gain or Loss of Time to Mails by Canadian Packet, as compared with Mails by previous Cunard Packet.	
	LIVERPOOL.		MONTREAL.		Gain.	Loss.
	1859:		1859:			
Africa	16	April	30	April	4 p.m.	—
North Briton	20	"	2	May	5 p.m.	1 day 23 hours.
Niagara	23	"	7	"	4 p.m.	—
Anglo Saxon	27	"	9	"	8 p.m.	1 day 20 hours.
Persia	30	"	12	"	5 p.m.	—
Nova Scotian	4	May	17	"	6 a.m.	—
Canada	7	"	21	"	4 p.m.	13 hours.
North American	11	"	23	"	4 p.m.	2 days.
Asia	14	"	27	"	10 p.m.	—
Hungarian	18	"	31	"	2 a.m.	20 hours.
America	21	"	4	June	4 p.m.	—
Indian	25	"	7	"	4 p.m.	1 day.
Africa	28	"	10	"	10 p.m.	—
North Briton	1	June	12	"	3 p.m.	2 days 7 hours.
Europa	4	"	17	"	11 a.m.	—
Anglo Saxon	8	"	19	"	4 p.m.	1 day 19 hours.
Persia	11	"	22	"	10 p.m.	—
Nova Scotian	15	"	28	"	9 p.m.	1 day 23 hours.
Arabia	18	"	1	July	12 noon.	—
North American	22	"	4	"	2 p.m.	22 hours.
Asia	25	"	7	"	11 p.m.	—
Hungarian	29	"	9	"	1 p.m.	2 days 10 hours.
Canada	2	July	15	"	11 a.m.	—
Indian	6	"	18	"	5 p.m.	18 hours.
Africa	9	"	22	"	10 a.m.	—
North Briton	13	"	25	"	1 p.m.	21 hours.
Europa	16	"	29	"	10 a.m.	—
Anglo Saxon	20	"	30	"	10 p.m.	2 days 12 hours.
Persia	23	"	4	August	9 a.m.	—
Nova Scotian	27	"	8	"	3 p.m.	6 hours.
Arabia	30	"	12	"	10 a.m.	—
North American	3	August	14	"	6 a.m.	2 days 4 hours.
Asia	6	"	19	"	10 p.m.	—
Hungarian	10	"	21	"	3 p.m.	2 days 7 hours.
America	13	"	28	"	6 p.m.	—
Indian	17	"	29	"	2 p.m.	3 days 4 hours.
Africa	20	"	2	September	11 p.m.	—
North Briton	24	"	5	"	11 p.m.	1 day.
Europa	27	"	10	"	1 p.m.	—
Anglo Saxon	31	"	13	"	3 a.m.	1 day 10 hours.
Persia	3	September	19	"	10 p.m.	—
Nova Scotian	7	"	22	"	2 p.m.	1 day 8 hours.
Arabia	10	"	23	"	3 p.m.	—
North American	14	"	26	"	6 a.m.	1 day 9 hours.
Asia	17	"	30	"	11 p.m.	—
Hungarian	21	"	2	October	3 p.m.	2 days 8 hours.
Canada	24	"	10	"	10 a.m.	—
Indian	28	"	11	"	2 p.m.	2 days 20 hours.
Africa	1	October	15	"	11 p.m.	—
North Briton	5	"	17	"	2 p.m.	2 days 9 hours.
Europa	8	"	22	"	11.30 p.m.	—
Anglo Saxon	12	"	24	"	1.30 p.m.	8 hours.
Persia	15	"	26	"	11 p.m.	—
Nova Scotian	19	"	30	"	3 p.m.	8 hours.
America	22	"	7	November	10 a.m.	—
North American	27	"	7	"	6 p.m.	4 days 16 hours.
Asia	29	"	15	"	10 a.m.	—
Hungarian	2	November	14	"	2.30 p.m.	4 days 19° 30'
Africa	12	"	28	"	7 p.m.	—
Bohemian	16	"	30	"	1.30 p.m.	2 days 5° 30'
Europa	19	"	30	December	4 p.m.	—
Anglo Saxon	23	"	9	"	6 a.m.	1 day 14 hours.
Persia	26	"	9	"	5 p.m.	—
Nova Scotian	30	"	16	"	2 p.m.	2 days 21 hours.

PAPERS:—GALWAY PACKET CONTRACT TRANSFER.

STEAMSHIP.	FROM LIVERPOOL.	AT MONTREAL.	Gain or Loss of Time to Mails by Canadian Packet, as compared with Mails by previous Cunard Packet.	
			Gain.	Loss.
	1859:	1859:		
America - - -	3 December	20 December 1 p.m.	—	—
North American - - -	7 " - - -	19 " - 12.30 p.m.	5 days 0° 30'	—
Asia - - - - -	10 " - - -	24 " - 1 a.m.	—	—
North Briton - - -	14 " - - -	31 " - 3 p.m.	- - - - -	3 days 14 hours.
		1860:		
Canada - - - - -	17 " - - -	4 January 3 p.m.	—	—
Bohemian - - - - -	21 " - - -	6 " - 8 p.m.	1 day 19 hours.	—
Arabia - - - - -	24 " - - -	9 " - 7 p.m.	—	—
Hungarian - - - - -	28 " - - -	15 " - 8 a.m.	- - - - -	1 day 13 hours.
Europa - - - - -	31 " - - -	18 " - 1 p.m.	—	—
Anglo Saxon - - -	4 January 1860	20 " - 12 noon	2 days 1 hour.	—
	1860:			
Africa - - - - -	7 January	24 " - 7 p.m.	—	—
Nova Scotian - - -	11 " - - -	29 " - 6 a.m.	- - - - -	11 hours.
America - - - - -	14 " - - -	6 February 12 noon.	—	—
North American - -	18 " - - -	5 " - 6 a.m.	5 days 6 hours.	—
Asia - - - - -	21 " - - -	7 " - 7 p.m.	—	—
North Briton - - -	25 " - - -	9 " - 1 p.m.	2 days 6 hours.	—
Canada - - - - -	28 " - - -	14 " - 12 noon.	—	—
Bohemian - - - - -	1 February	15 " - 12 noon	3 days.	—
Europa - - - - -	11 " - - -	25 " - 12 noon.	—	—
Anglo Saxon - - -	15 " - - -	2 March 12 noon	- - - - -	2 days.
Africa - - - - -	18 " - - -	6 " - 7 p.m.	—	—
Nova Scotian - - -	22 " - - -	14 " - 2 p.m.	- - - - -	3 days 19 hours.
America - - - - -	25 " - - -	15 " - 1 p.m.	—	—
North American - -	29 " - - -	14 " - 2 p.m.	4 days 23 hours.	—
Asia - - - - -	3 March	17 " - 7 p.m.	—	—
North Briton - - -	7 " - - -	22 " - 1 p.m.	- - - - -	18 hours.
Canada - - - - -	10 " - - -	27 " - 8 a.m.	—	—
Bohemian - - - - -	14 " - - -	28 " - 4 a.m.	3 days 4 hours.	—
Arabia - - - - -	17 " - - -	—	—	—

TREASURY Minute, dated 19 June 1860.

ACKNOWLEDGE receipt of the letter from the Postmaster General of Canada, dated the 30th ultimo, and say, that in the present condition of the Galway contract, and until the ability of the contractors to commence and carry on their contract is placed beyond doubt, and an estimate for the service has been voted by Parliament, it would be premature, in the opinion of my Lords, to enter upon the consideration of the questions raised by his letter.

