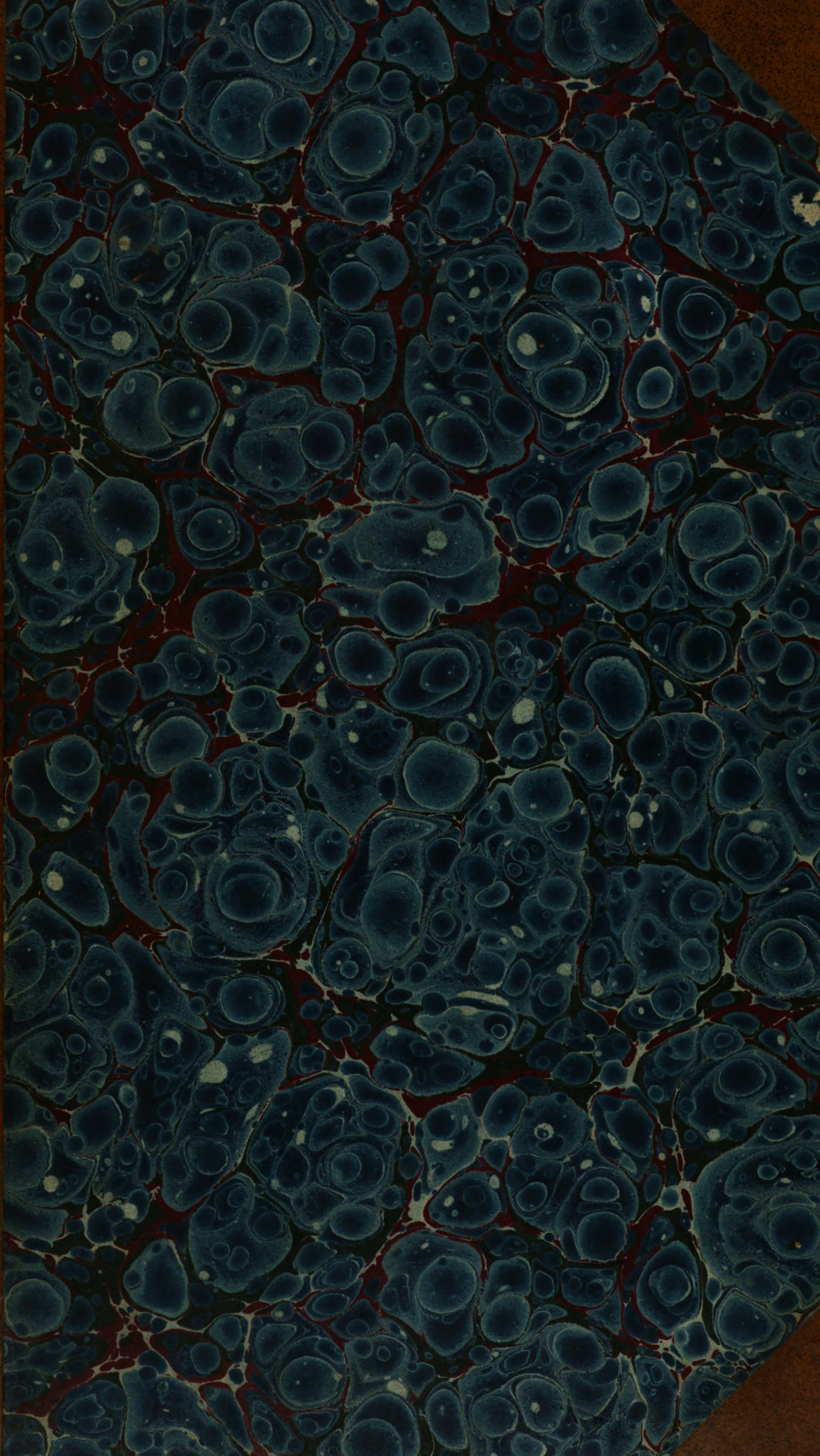

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Pp. Eng. $\frac{1868-9}{6}$

REPORTS
FROM
COMMITTEES:

SIX VOLUMES.

—(1.)—

ABYSSINIAN WAR; MAIL CONTRACTS;
PUBLIC ACCOUNTS; TELEGRAPH BILL.

Session

10 *December* 1868 — 11 *August* 1869.

VOL. VI.

1868-9.

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1869



REPORTS FROM COMMITTEES:

1868-9.

SIX VOLUMES:—CONTENTS OF THE

FIRST VOLUME.

N.B.—*THE* Figures at the beginning of the line, correspond with the N° at the foot of each Report; and the Figures at the end of the line, refer to the MS. Paging of the Volumes arranged for The House of Commons.

ABYSSINIAN WAR:

380. Report from the Select Committee on the Abyssinian War; together with the Proceedings of the Committee, Minutes of Evidence, and Appendix - - - - - p. 1
- 380-I. Index to Ditto - - - - - 223

MAIL CONTRACTS:

106. Report from the Select Committee on Mail Contracts; together with the Proceedings of the Committee, Minutes of Evidence, and Appendix - - - - - 265
- 106-I. Index to Ditto - - - - - 481

PUBLIC ACCOUNTS:

87. First and Second Reports from the Committee of Public Accounts; together with the Proceedings of the Committee, and Minutes of Evidence - - - - - 513
- 87-I. Appendix to Reports - - - - - 559
303. Third Report, with the Proceedings of the Committee, and Minutes of Evidence - - - - - 571
- 303-I. Supplementary Appendix to Third Report - - - - - 607
356. Fourth Report; together with the Proceedings of the Committee, Minutes of Evidence, and Appendix - - - - - 609
- 356-I. Index to the Four Reports - - - - - 633

TELEGRAPH BILL:

348. Report from the Select Committee on the Telegraph Bill; together with the Proceedings of the Committee, and Minutes of Evidence, 651
-

205

R E P O R T

FROM THE

SELECT COMMITTEE

ON

MAIL CONTRACTS;

TOGETHER WITH THE

PROCEEDINGS OF THE COMMITTEE,

MINUTES OF EVIDENCE,

AND APPENDIX.

*Ordered, by The House of Commons, to be Printed,
23 March 1869.*

Friday, 12th March 1869.

Ordered, THAT the Contracts entered into by the Postmaster General with Messrs. Cunard and Co. and Mr. William Inman, for the Conveyance of Mails from this Country to the United States, be referred to a Select Committee of this House.

Monday, 15th March 1869.

Ordered, THAT the Committee do consist of Seven Members, Five to be nominated by the Committee of Selection, and Two to be added by the House.

Tuesday, 16th March 1869.

Members nominated by the Committee of Selection :

| | |
|---------------------------------|------------------------------|
| Mr. Dent. | Sir Massey Lopes. |
| Mr. Greaves (Warwick). | Mr. Talbot (Glamorganshire). |
| Mr. E. T. Hamilton (Salisbury). | |

Ordered, THAT Mr. Seely and Mr. Graves be added to the Select Committee.

Ordered, THAT the Committee have power to send for Persons, Papers, and Records.

Ordered, THAT Five be the Quorum of the Committee.

Ordered, THAT it be an Instruction to the Committee to sit and proceed forthwith, and to sit from day to day.

Friday, 19th March 1869.

Ordered, THAT the Committee have leave to sit till Five of the clock, during the sitting of the House ; and to sit To-morrow, at Twelve of the clock, notwithstanding the adjournment of the House.

Tuesday, 23rd March 1869.

Ordered, THAT the Committee have leave to sit till Six of the clock, during the sitting of the House.

Ordered, THAT the Committee have power to report their Observations, together with the Minutes of Evidence taken before them, to the House.

| | | |
|------------------------------|-----------|--------|
| REPORT | - - - - - | p. iii |
| PROCEEDINGS OF THE COMMITTEE | - - - - - | p. vii |
| MINUTES OF EVIDENCE | - - - - - | p. 1 |
| APPENDIX | - - - - - | p. 143 |

264

R E P O R T.

THE SELECT COMMITTEE appointed to enquire into the **CONTRACTS** entered into by the Postmaster General with Messrs. *Cunard & Co.* and Mr. *William Inman*, for the conveyance of **MAILS** from this country to the **UNITED STATES**;—**HAVE** considered the matters to them referred, and have agreed to the following **REPORT**:—

1. In considering the Contracts with Messrs. Cunard and Inman, which have been submitted to your Committee by the Order of The House, we have been placed in a position of difficulty by not having added to our number any member of the present or late Administration possessing an official knowledge of the Contracts under consideration. We have therefore called before us the Marquis of Hartington, the present Postmaster General; Mr. Hunt, the late Chancellor of the Exchequer; Mr. Scudamore, Mr. Frederick Hill, Mr. Page, and Mr. Chetwynd, permanent officials of the Post Office; Messrs. Burns and Inman, representatives of the contracting firms, as well as the representatives of other steam navigation companies, and gentlemen largely engaged in the North American trade.

2. The whole question of Postal Packet Contracts underwent a most careful consideration by a Committee of The House which sat in the years 1859 and 1860, and made the American Contracts a special part of their Report, and recorded “their conviction that it is quite practicable to dispense with large “subsidies in cases where ordinary traffic supports several lines of steamers, “and 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.”

3. A Treasury Minute of 16th April 1860 also approved of the principles that the Packet Service should be, as far as possible, self-supporting, and that long Contracts should, as far as possible, be avoided.

451. 821.

4. We had to consider how far the recommendation of the Committee and of the Treasury Minute had been observed, although we recognise the argument of Mr. Scudamore, that it was not intended to fasten the Post Office down to a hard and fast line.

822, 823.

5. The duration of each Contract before us is for a period of seven years, with 12 months' notice, or, in fact, eight years certain.

6. The payment for the services is fixed at a rate of 70,000 *l.* per annum for two weekly services by the Messrs. Cunard, on Sunday and Wednesday, from Queenstown to New York and Boston respectively, and at a rate of 35,000 *l.* per annum for one weekly service, to be performed by Messrs. Inman on Friday, from Queenstown to New York.

7. The security for due performance of the service rests only on the well-known character of the contracting firms.]

8. The question of these Contracts for American mails has been long before the Post Office and Parliament, and the negotiations which led to the present Contracts are intimately connected with those of the previous year.

484. 9. On the 1st January 1868 a new Postal Contract with the United States came into operation, which reduced the rate of Postage on International Letters not exceeding half-an-ounce in weight, to sixpence in the United Kingdom and twelve cents in the United States, and further provided, "that each office should make its own arrangements for the dispatch of Mails to the other office by well-appointed ships, sailing on stated days, and should at its own cost remunerate the owners of such ships for the conveyance of the Mails." Before this date the postage on British letters to the United States had been one shilling, and the contracts of the British Post Office provided only for one fortnightly service from Queenstown to New York and back, and one fortnightly service from Queenstown to Boston (*via* Halifax) and back, to be performed by Messrs. Cunard for an annual payment of 173,000 *l*.
- 853, 854, 855.
860.
906-909. 10. For the service of the year 1868 the Post Office was anxious to obtain tenders regulating the payments to the contractors by the amount of sea postage earned, a system which the United States Post Office had for some years adopted, and which Messrs. Inman and other Companies had for some time accepted. On these terms Messrs. Inman tendered for a weekly service to New York, and their tender was accepted. The Cunard Company refused to tender on these terms; and after some negotiation with the Post Office, entered into a contract for the service of 1868 for a payment of 80,000 *l*. for the year, to provide a weekly mail to leave Queenstown every Sunday for New York, and every Wednesday to leave New York for Queenstown, with a stipulation that the Cunard Company should repay to the British Government the sums received by them from the United States for the conveyance of the homeward mail on Wednesday. The Post Office Authorities estimated that the loss on this contract would be 5,000 *l*., but Mr. Chetwynd admits that the loss actually amounted to 35,586 *l*. if the sea service were credited with the sea postage only, to 25,547 *l*. if the British inland postage were included, and to 15,341 *l*. if the gross or total postage were considered as belonging to the sea service. "It is right we should add that the Post Office Authorities ascribe the failure of their calculation, first, to the fact that the American Post Office had, contrary to expectation, departed from its practice of paying the whole sea postage; and secondly, to the fact that after the calculation was made, a contract was given to the Hamburg-American Company, which took away from the Messrs. Cunard a portion of the correspondence they would otherwise have carried."
1539.
1780.
1795.
983.
1152. 11. Mr. Inman, in a letter to the Secretary of the Treasury, dated 22nd November 1867, complains of the conduct of the Post Office in yielding to the demands of Messrs. Cunard in these words: "I tendered to the advertisement in full faith that the Post Office had fixed the pay, and I think, even now, others will do it if Cunards will not." And, in examination, he stated that at that time he would have performed the service himself if the Post Office had not yielded to Messrs. Cunard.
1780.
1782. 12. During the year 1868 the Post Office again advertised for tenders for mail services from Queenstown to New York, but no tenders were sent in upon the exact terms proposed. Messrs. Cunard and Inman had now agreed with one another to send in offers upon the same terms, which were for weekly services paid by fixed subsidies, and for a contract lasting over 10 years, with a year's notice of termination. Negotiations ensued, and contracts were entered into and accepted by the Companies on the 7th October 1868, and finally settled and signed on the 11th and 12th December upon the terms mentioned in the former part of this Report. It has been shown to the Committee that Queenstown possesses great advantages as a port for the despatch and receipt of American mails, that three-fourths of the correspondence to America go by the Queenstown route; and the late Chancellor of the Exchequer stated to us that he believed that no one of the then existing "steamboat companies which could give a satisfactory service had tendered in accordance with the prescribed conditions, it would be useless to re-advertise the service, and it also appeared to him that it would be well to negotiate with Messrs. Cunard and Inman, who appeared to be the only persons capable of giving the particular service which the Post Office thought best adapted to the wants of the whole community. In the negotiations which followed, Messrs. Cunard and Inman first offered an abatement of 30,000 *l*. per annum from the price demanded, but ultimately,
- 858, 860, 863.
863, 864, 873.
1140.
1141. on

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on the 7th October, accepted an offer made to them by the Government on the 1st October of 105,000 *l.* instead of 150,000 *l.* for the tri-weekly service, and also consented to a reduction of the term of the contract from ten to seven years."

13. These contracts, no doubt, present a very favourable contrast to those entered into with Messrs. Cunard in 1858 and again in 1868; but the payments to be made, when compared with those made by the American Post Office for the homeward mails, are widely different, inasmuch as the American Post Office have hitherto paid only for actual service rendered, at about half the rate of the British Post Office when paying by the quantity of letters carried; and Mr. Scudamore and Mr. Inman states that a considerable portion of the cost of the American mails to England is, in fact, borne by the British Post Office, although the receipts are equally divided between the two offices.

1045. 1807. B
494.

14. We have no complaints as to the homeward service; it is as regular and expeditious, as the outward service. Mr. Inman however stated, "That the German Company, the Hamburgh Company, the Cunard Company, and his own, have come to an agreement that they will not carry mails on the terms which the late Postmaster General of the United States requested them to do; they have refused to go into any contract, and he had left two Saturdays go vacant."

999.
1267. 1331.

1608.

15. The question, however, arises whether at our own rates of postage this service will be self-supporting. Mr. Chetwynd has furnished us with an estimate of the gross postage to be derived from the carriage of the outward mails, amounting to 113,000 *l.* He has also given us the actual sums earned last year by each contracting company, supposing them to have been paid the sea postage only at the rates of 1 *d.* per ounce for letters, 3 *d.* per pound for papers, 5 *d.* per pound for books. These earnings for the packets sailing from Queenstown amount to 51,600 *l.*; for those sailing from Southampton to 16,800 *l.*

Appendix, p. 3.

16. If, then, we give to the three mail steamers now sailing from Queenstown the whole sea postage, and suppose that no mail will leave Southampton, they will earn 68,400 *l.* If we add to this one-half for the inland postage, we arrive at a sum of 102,600 *l.* for the gross postage, supposing the Queenstown line to carry all the letters; but if the same number of letters still go by Southampton, the gross portion will only amount to 77,400 *l.* as against an annual payment of 105,000 *l.* As regards the American mails, the general practice of the British Post Office has been to credit the packet service with the sea postage only. Mr. Frederick Hill and Mr. Scudamore, secretaries of the Post Office, are at issue as to the true basis of calculation, the latter thinking that the sea-service is entitled to the full charge, including sea and inland rates.

As to the probable increase of correspondence, the Committee have no very certain information before them, and therefore abstain from committing themselves to any estimate. Mr. Chetwynd has put in a statement showing the number of letters carried since 1863, viz. :—

| | | | | |
|------|---|---|---|-----------|
| 1863 | - | - | - | 2,461,440 |
| 1865 | - | - | - | 3,337,697 |
| 1866 | - | - | - | 4,066,284 |
| 1867 | - | - | - | 3,966,759 |
| 1868 | - | - | - | 4,875,802 |

And the Committee think there is no doubt that some increase may for the present be anticipated.

17. Under all the circumstances we are of opinion that, considering the already large and continually increasing means of communication with the United States, there is no longer any necessity for fixed subsidies for term of years in the case of this service; and having regard to the fact that a weekly service had been carried on by Mr. Inman in 1868 in consideration of receiving the sea postage only, to the difficulties which these contracts would for eight years throw in the way of any great reduction of postage, and to the express power of disallowance by the House of Commons contained in the contracts themselves; we recommend that the contracts with Messrs. Cunard and Mr. Inman's Company be disapproved, compensation being made if necessary, on the basis of the contracts for services already performed in the present year.

18. Messrs. Burns and Inman appeared before us, and stated that they had not understood Clause 24 of their contracts as rendering the contracts liable to be disapproved by Parliament for any cause, except want of good faith, or dishonesty in the parties contracting ; and that they had entered upon their contract, and had now been working under its provisions at considerable expense and loss hitherto, since 1st January 1869, in the belief that Parliament would not disapprove any contract, if satisfied that it had been entered into in good faith by both parties.

19. Your Committee do not recognise the accuracy of this reading of the clause, but they consider that the contractors may have suffered some hardship and inconvenience from the delay which has taken place in submitting the contracts to the consideration of Parliament. They recommend, therefore, that an option should be given to the contractors of continuing the contract for a shorter period.

20. Your Committee would in conclusion strongly recommend that in order to avoid all similar difficulties for the future, to do justice to all parties concerned, to give Parliament an opportunity of deliberately dealing with these questions, that all such and similar contracts should be considered by the Government, and brought before the House of Commons in the spring rather than in the autumn of the year preceding their expiration ; they further regret that the time allowed for enquiring into these matters has been so limited, and they think that this difficulty might have been avoided had the contracts been placed on the Table of the House on the assembling of Parliament.

23 *March* 1869.

241
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PROCEEDINGS OF THE COMMITTEE.

Wednesday, 17th March 1869.

MEMBERS PRESENT :

Mr. Dent.
Mr. Greaves.
Mr. Hamilton.

Mr. Talbot.
Mr. Seely.
Mr. Graves.

Mr. DENT was called to the Chair.

Mr. *Herbert Taylor*, Mr. *Pearson Hill*, Mr. *Thomas Wallis*, and Mr. *Andrew Duncan* were severally examined.

[Adjourned till To-morrow, at Eleven o'clock.

Thursday, 18th March 1869.

MEMBERS PRESENT :

Mr. DENT in the Chair.

Mr. Greaves.
Mr. Graves.
Mr. Hamilton.

Mr. Seely.
Mr. Talbot.

Mr. *Frederic Hill* was examined.

The room was cleared, and the Committee deliberated.

Mr. *W. F. Baxter* (a Member of the House), Mr. *Andrew Maris*, Mr. *Rodewald*, and Mr. *James Robinson* were severally examined.

[Adjourned till To-morrow, at Twelve o'clock.

Friday, 19th March 1869.

MEMBERS PRESENT :

Mr. DENT in the Chair.

Mr. Greaves.
Mr. Graves.
Mr. Seely.

Mr. Hamilton.
Sir Massey Lopes.

Mr. *Stephen Barker Guyon*, The Marquis of *Hurtington* (a Member of the House), Postmaster General, Mr. *Frank Scudamore*, and the Right Honourable *George Ward Hunt* (a Member of the House) were severally examined.

Mr. *Andrew Duncan* and Mr. *Thomas Wallis* were severally further examined.

Mr. *William James Page* was examined.

The room was cleared, and the Committee deliberated.

Mr. *W. J. Page* was further examined.

[Adjourned till To-morrow, at Twelve o'clock.

Saturday, 20th March 1869.

MEMBERS PRESENT :

Mr. DENT, in the Chair.

Mr. Greaves.
Mr. Graves.
Sir Massey Lopes.

Mr. Hamilton.
Mr. Seely.

Mr. *Russel Sturgis*, Mr. *Francis A. Hamilton*, Mr. *Junius S. Morgan*, Mr. *John Burns*, and Mr. *William Inman* were severally examined.

Mr. *Frank Scudamore* was further examined.

Mr. *George Chetwynd* was examined.

The room was cleared, and the Committee deliberated.

[Adjourned till Monday, at One o'clock.]

Monday, 22nd March 1869.

MEMBERS PRESENT :

Mr. DENT, in the Chair.

Mr. Greaves.
Mr. Graves.
Sir Massey Lopes.

Mr. Seely.
Mr. Hamilton.

The Committee deliberated.

[Adjourned till To-morrow, at Twelve o'clock.]

Tuesday, 23rd March 1869.

MEMBERS PRESENT :

Mr. DENT, in the Chair.

Mr. Graves.
Mr. Seely.
Sir Massey Lopes.

Mr. Talbot.
Mr. Hamilton.
Mr. Greaves.

DRAFT REPORT proposed by the *Chairman*, read the first time, as follows:—

“ 1. IN considering the contracts with Messrs. Cunard and Inman, which have been submitted to your Committee by the Order of The House, we have been placed in a position of difficulty by not having added to our number any member of the present or late Administration possessing an official knowledge of the contracts under consideration. We have called before us the Marquis of Hartington, the present Postmaster General; Mr. Hunt, the late Chancellor of the Exchequer; Mr. Scudamore, Mr. Frederick Hill, Mr. Page, and Mr. Chetwynd, permanent officials of the Post Office; Messrs. Burns and Inman, representatives of the contracting firms, as well as other witnesses.

“ 2. The whole question of postal contracts underwent a most careful consideration by Committees of The House in the years 1859 and 1860, who made the American contracts a special part of their Report, and recorded ‘ their conviction that it is quite practicable to dispense with large subsidies in cases where ordinary traffic supports several lines of steamers, and 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.’

“ 3. A Treasury

949
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" 3. A Treasury Minute of 16th April 1860 also approved of the principles that the Packet Service should be, as far as possible, self-supporting, and that long contracts should, as far as possible, be avoided.

461. 821.

" 4. We had to consider how far the recommendation of the Committee and of the Treasury Minute had been observed, although we recognise the argument of Mr. Scudamore, that it was not intended to fasten the Post Office down to a hard and fast line.

822, 823 a.

" 5. The duration of each contract before us is for a period of seven years, with 12 months' notice, or, in fact, eight years certain.

" 6. The payment for the services is fixed at a rate of 35,000 *l.* per annum for each weekly service, of which Messrs. Cunard perform one on Sunday and one on Tuesday, Messrs. Inman one on Thursday in each week.

" 7. The security for due performance of the service rests only on the well-known character of the contracting firms.

" 8. The question of these contracts for American mails has been long before the Post Office and Parliament, and the negotiations which led to the present contracts are intimately connected with those of the previous year.

" 9. On the 1st January 1868 a new postal contract with the United States came into operation, which reduced the rate of postage on international letters to 6 *d.* in the United Kingdom and 12 cents in the United States, and further provided, 'that each office should make its own arrangements for the dispatch of mails to the other office by well-appointed ships, sailing on stated days, and should at its own cost remunerate the owners of such ships for the conveyance of the mails.' Before this date the postage on British letters to the United States had been 1 *s.*, and the contracts of the British Post Office provided only for one fortnightly service from Queenstown to New York and back, and one fortnightly service from Queenstown to Boston (*via* Halifax) and back, to be performed by Messrs. Cunard for an annual payment of 173,000 *l.*

" 10. In the service of the year 1868 the Post Office was anxious to obtain tenders regulating the payments to the contractors by the amount of sea postage earned, a principle upon which the United States Post Office had long acted, and which Messrs. Inman and other Companies had for some time approved and accepted. On these terms Messrs. Inman tendered for a weekly service to New York, and their tender was accepted. The Cunard Company, relying upon their former services, and the power which they had obtained from the large subsidies heretofore paid to them, refused to tender on these terms; and after some negotiation with the Post Office, entered into a contract for the service of 1868 for a payment of 80,000 *l.* for the year, to provide a weekly mail to leave Queenstown every Sunday for New York, and every Wednesday to leave New York for Queenstown, with a stipulation that the Cunard Company should repay to the British Government the sums received by them from the United States for the conveyance of the homeward mail on Wednesday. The Post Office authorities estimated their loss on this contract at 5,003 *l.*, but Mr. Chetwynd admits that, as compared to the rate paid to Messrs. Inman, this loss amounted to 35,000 *l.*, or to 25,000 *l.* if the British inland postage be given for this service, or 16,000 *l.* if the gross postage be considered applicable to the payment of the contract.

" 11. Mr. Inman, in a letter to the Secretary of the Treasury, dated 22nd November 1867, complains of the conduct of the Post Office in yielding to the demands of Messrs. Cunard in these words: 'I tendered the advertisement in full faith that the Post Office had fixed the pay, and I think, even now, others will do it if Cunards will not.' And, in examination, he stated that at that time he would have performed the service himself if the Post Office had not yielded to Messrs. Cunard.

" 12. During the year 1868 the Post Office again advertised for tenders for mail services from Queenstown to New York, but no tenders were sent in upon the exact terms proposed. Messrs. Cunard and Inman had now agreed with one another to send in offers upon the same terms, which were for weekly services paid by fixed subsidies, and for a contract lasting over 10 years, with a year's notice of termination. Negotiations ensued, and contracts were entered into and accepted by the Companies on the 27th and 28th October 1868, and finally settled and signed on the 11th and 12th November upon the terms mentioned in the former part of this Report.

" 13. These contracts, no doubt, present a very favourable contrast to those entered into with Messrs. Cunard in 1858 and again in 1868; but the payments to be made, when compared with those made by the American Post Office for the homeward mails, are widely different, inasmuch as the American Post Office have hitherto paid only for actual service rendered, at about half the rate of the British Post Office when paying by the quantity of letters carried; that is to say, America pays 15 cents per ounce, while Great Britain pays one shilling per ounce for the sea postage of international letters, and Mr. Scudamore and Mr. Inman admit that half the cost of the American mails to England is, in fact, borne by the British Post Office, although the receipts are equally divided between the two offices.

1045. 1607.

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" 14. We

1267. 1331.

" 14. We have no complaints as to the homeward mail ; it is as certain, as expeditious, and as regular in delivery as the outward, and the conditions imposed by the American Post Office are more stringent than those imposed by our own, although the two contracting companies are dissatisfied, and are proposing to annul their contracts altogether, and to refuse to carry the homeward mails from the United States on the present terms.

Appendix C.

" 15. The question, however, arises whether at our own rates of postage this service will be self-supporting. Mr. Chetwynd has furnished us with an estimate of the gross postage to be derived from the carriage of the outward mails, amounting to 113,000 *l.* He has also given us the actual sums earned last year by each contracting company, supposing them to have been paid the sea-postage only. Those earnings for the packets sailing from Queenstown amount to 52,000 *l.*; for those sailing from Southampton to 16,000 *l.*

" 16. If, then, we give to the three mail steamers now sailing from Queenstown the whole sea postage, and suppose that no mail will leave Southampton, they will earn 68,900 *l.*; and allowing 15 per cent. for the annual increase of letters, the amount will be 79,200 *l.* If we add to this, one-third, viz., 26,400 *l.*, for the inland postage, we arrive at a sum of 105,600 *l.* for the gross postage, supposing the Queenstown line to carry all the letters, but if a proportionate number of letters still go by Southampton, we must deduct from this sum of 105,600 *l.*, 16,900 *l.* for sea-postage, 2,500 *l.* annual increase at 15 per cent., and one-third, 6,200 *l.* for inland postage, making for gross postage *via* Southampton, 25,600 *l.*, which leaves 80,000 *l.* for the earnings of the Queenstown line as against a payment of 105,000 *l.* But hitherto the British Post Office has only recognised the sea postage as belonging to the packet service, and in all its contracts has considered this the basis of its calculation.

" 17. Another Table put in by Mr. Chetwynd, founded on the calculation of 3½ letters to the ounce, and 7½ papers to the pound, and 5½ book-packets to the pound, shows the estimated amount of sea postage earned by the several lines of North American mail packets on the outward voyages during the year 1868 :

| | £. |
|------------------------------|--------|
| Cunard - - - - - | 34,924 |
| Inman - - - - - | 25,987 |
| North German Lloyd - - - - - | 13,408 |
| Hamburg-American - - - - - | 6,400 |

| | |
|--|-----------|
| " From this we arrive at the earnings of the | |
| Queenstown boats - - - - - | 60,800 |
| Add to this one-third for inland postage | 20,200 |
| | 81,000 |
| Average yearly increase at 15 per cent. | 12,000 |
| | £. 93,000 |

" And treating the postage earned *via* Southampton in the same manner, we have,

| | £. |
|--|-----------|
| Earnings - - - - - | 19,800 |
| Inland postage at one-third of the above | 6,600 |
| | 26,400 |
| Fifteen per cent. annual increase - - - | 3,900 |
| | £. 30,300 |

" Taking this basis of calculation, and supposing all the gross postage to be given to the Queenstown route, we shall have 123,000 *l.* for gross postage.

" But we can scarcely imagine that the Southampton route, so convenient for foreign mails, is to be abandoned, nor have we any right to suppose that the Post Office will surrender for a Queenstown service the gross postage, when hitherto their custom has been to pay sea postage only. If, then, we consider that the Southampton service will still carry its proportionate share of letters, we must leave for Queenstown 92,800 *l.* gross postage; or, deducting one-third for inland postage, we should have a sum of 61,000 *l.* sea postage to meet the payment of 105,000 *l.*

" 18. It therefore appears to us that a fixed subsidy is unnecessary to secure a regular, certain, and efficient postal service between this country and the United States, while the long period for which the contracts are made preclude, during that time, the conclusion of more advantageous contracts, and thus hinder the development of the postal communication with America. Finally, the amount to be paid for the service is such as to prevent its being self-supporting, even if we allow, which has never been done before, the gross postage, and not the sea postage only, to be placed to its credit.

" 19. For

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“19. For these reasons, the Committee cannot recommend the confirmation of the contracts as they now stand.

“20. Messrs. Burns and Inman appeared before us, and stated that they had not understood clause 24 of their contracts as rendering the contracts liable to be dissolved by Parliament for any cause, except want of good faith, or dishonesty in the parties contracting; and that they had entered upon their contract, and had now been working under its provisions at considerable expense and loss hitherto, since 1st January 1868, in the belief that Parliament would not rescind any contract, if satisfied that it had been entered into in good faith by both parties.

“21. Your Committee do not recognise the accuracy of this reading of the clause, but they consider that the contractors may have suffered some hardship and inconvenience from the delay which has taken place in submitting the contracts to the consideration of Parliament. They recommend, therefore, that an option should be given to the contractors of continuing the contract for a limited period.”

DRAFT REPORT proposed by Mr. *Graves*, read the first time, as follows:—

“1. THAT, in calling for tenders for the conveyance of mails to New York, the Post Office appears to have endeavoured to act in accordance with the recommendations of the Parliamentary Committee of 1860 on Contract Packets, and to have tried to obtain contracts at sea-postage rates, terminable at six months' notice, and with guarantees for speed.

“2. That the late Chancellor of the Exchequer appears to have endeavoured to fulfil the assurance which he gave to the House of Commons on the 20th March 1868, that he would aim at making the service self-supporting, and at placing all companies carrying the mails on equal terms; and that he instructed the Post Office to invite tenders on the prescribed terms for the conveyance of the mails from Queenstown.

“3. That it has been proved to the Committee that Queenstown possesses great advantages for the dispatch and receipt of American mails; that the transmission of a letter to New York is, in the case of no principal town in the kingdom, slower, whilst in the case of most, it is much quicker by Queenstown than by Southampton; that with regard to the homeward mails, an arrival at Queenstown facilitates the simultaneous delivery of letters in the principal towns of the kingdom; and that three-fourths of the correspondence from this country go by the Queenstown route.

“4. That none of the tenders made appear to have been in accordance with the terms prescribed; that two were from the North German Lloyd and the Hamburg-American Company for services at sea postage rates, the latter company demanding, in addition to the sea postage, a payment of 12,000 *l.* per annum if the service were carried on weekly throughout the winter months; both companies requiring that Southampton, instead of Queenstown, should be the port of departure; while the first asked an extension of 12 hours, and the second an extension of 24 hours in the time allowed for the voyage; that a third tender from the National Company of Liverpool for a service from Queenstown at a penny per ounce of letters was deemed inadmissible; first, because it was clogged with conditions at variance with the existing postal convention with the United States, and second, because the vessels of the company could not perform the service in the prescribed time; that the remaining tenders from the Inman Company and Messrs. Cunard conjointly were identical in terms, the first being for one, and the second for two services per week from Queenstown, at a payment of 50,000 *l.* and 100,000 *l.* per annum for one and two services, and for a term of ten years, with twelve months' notice at the expiration thereof; that the North German Lloyd and Hamburg Companies were willing to be bound in qualified penalties, the other companies refusing to be so bound.

“5. That, under these circumstances, Her Majesty's late Government considered that as the only then existing steam-boat companies which could perform the service in a manner satisfactory to the Post Office had declined to tender on the prescribed conditions, it was useless to re-advertise the service; and it also appeared to them that as the German companies had refused to sail from Queenstown, one of those companies basing its refusal on the risks attending the passage from Southampton to Queenstown, it was necessary to negotiate with the only persons who could give the Post Office the service which it desired.

“6. That in the negotiations which followed, Messrs. Inman and Cunard offered an abatement of 10,000 *l.* and 20,000 *l.* from the sums which they had asked, but that the late Chancellor of the Exchequer required a still further abatement, and instructed the Post Office to offer to Mr. Inman 35,000 *l.* for one, and to Messrs. Cunard 70,000 *l.* for two weekly services, with a reduction of three years from the term asked.

“7. That an offer in these terms was made to Messrs. Inman and Cunard on the 1st October, and accepted on the 7th October; and that, on the 27th October, the Treasury, in authorising the execution of the contracts, instructed the Postmaster General to re-insert the clause (which had been omitted from the conditions of tender) empowering the Admiralty, in the event of war, to purchase the vessels of the contractors.

"8. That on the accession of the present Government to office, they endeavoured to induce the contractors to agree to a further reduction of two years in the term, and to induce Mr. Inman to change his day of sailing from Thursday to Friday, so as to divide the service equally throughout the week; that both contractors refused to agree to the further reduction of the term, but that Mr. Inman consented to change his day of sailing, provided the other conditions of his contract were maintained intact; and that a fresh contract for the change of day has, with the sanction of the Treasury, been forwarded to Mr. Inman, and executed by him.

"9. That, taking all these circumstances into account, it appears to the Committee that the arrangements provided by the contracts, with the modification as to Mr. Inman's day of sailing, are the best that the Post Office could have made for a regular and efficient service.

"10. That the sum to be paid annually to the contractors appears to be moderate for the service to be performed, and to be less than the gross postage of the letters to be conveyed; the gross postage being, in the opinion of the Committee, for the reasons stated in evidence, fairly applicable to this purpose.

"11. That, although the contractors are not subject to penalties, they have for many years performed a service of which no one has complained, under the like freedom from penalties; and that as the cost of the extra coals which must be burnt to avoid penalties will often exceed the penalties themselves, they afford little or no security.

"12. That, though it has been shown to your Committee that, during the year 1868, the mails from the United States were carried for the United States Post Office by the companies under contract with the English Government at a much lower rate than was paid by the English Government, it has also been shown that companies have now unanimously determined not to carry the mails from the United States unless they receive an increase of remuneration.

"13. That it has been stated to your Committee that the Post Office has the power to send the mails as ship letters, but that it has also been shown that, even if the ship letter enactments were ever intended to apply to mails of this size and character, it is clear that they involved no obligation on a shipowner to call at a particular port for the mails, or to wait for them at any port, and that it would be difficult, if not impossible, to enforce the enactments against an unwilling shipowner.

"14. That it has been stated by the Post office authorities that the ratification of these contracts will not, in their opinion, prevent such reductions of postage as may be thought desirable; but, on the contrary, will leave the Government free to apply an increase in the produce of letters to a reduction of rate without making fresh arrangements with the contracting parties.

"15. That it has been shown to the Committee that the English steam-ship owners are subject to the regulations of the Board of Trade and the Emigration Commissioners, from whom the North German Lloyd and the Hamburg Company are exempt, and that, further, they may carry no mails for foreign Governments.

"16. That, as the condition empowering the Admiralty to purchase or charter the contractor's vessels in the event of war, was inserted at the request of the Admiralty, it is presumed that there are important reasons of State for it; that no such clause could have been inserted in contracts with the North German Lloyd or the Hamburg Company, and that, had time permitted, the Committee would have thought it their duty to hear evidence from the Admiralty on this point.

"17. That the contracts were made under the authority of the late Government, and that the contractors were allowed by the present Government to commence the service on the 1st January last, without any notice that it was the intention of the Governments to question the contracts, and have continued to perform the service in those months of the year in which navigation is most perilous, and carried on at a positive loss.

"18. That though the Committee would have preferred contracts for a shorter term, but for an equally efficient service, yet, looking to the moderate amount of the payment, the excellence of the service, and the importance to the mercantile community of a regular and rapid post between this country and America, they can see no sufficient ground on which the House could refuse to ratify the contracts, and they desire to state that the abrupt termination of these contracts would entail sudden and most serious inconvenience on the public.

"19. That, in the opinion of the Committee, it will be well, in dealing with contracts of this kind hereafter, that they should be entered into at such a period of the year as will give Parliament ample time for considering them before the services are allowed to commence.

"20. Your Committee regret that the time allowed for inquiring into these matters has been so limited, and they think that this difficulty might have been avoided had the contracts been placed on the Table of the House on the assembling of Parliament."

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DRAFT REPORT proposed by Mr. *Seely*, read the first time, as follows:—

“ 1. By the first of the contracts referred to us, Messrs. Cunard, Burns, and M'Iver are to receive 70,000*l.* a-year, for eight years certain, for the carriage of two mails weekly from Queenstown to the United States.

“ By the second contract Mr. Inman's company is in like manner to receive 35,000*l.* a-year for the carriage weekly of one mail.

“ 2. The Chancellor of the Exchequer under the late Government informed us that these contracts were approved upon a representation that the entire sea-postage in 1868, on letters for the United States, was 101,700*l.*, and that the services would consequently be nearly self-supporting. It has, however, been proved to us that this representation was in excess of the true amount by 26,000*l.* To this deficit would have to be added the amount of sea-postage on postal matter carried by other lines, amounting in 1868 to at least 12,000*l.*

Hunt, 1141. 1170.
Scudamore, 892.

Hunt, 1172. P. Hill, 94-
F. Hill, 464. Scudamore, 1

“ 3. Further, with regard to the contract with Messrs. Cunard, of the two services in consideration of which their subsidy of 70,000*l.* is to be paid, the Tuesday service, being performed for the most part by a slower class of boats which have usually been overtaken by ships of another line starting on the following day, is of little or no value for the purposes of the Post Office.

Taylor, 27-30. Wallis, 21
Baxter, 648. Morris, 667.
Rodinald, 703. Guion, 75
Scudamore, 917. Sturgis, 1
Morgan, 1347. Burns, 14

“ 4. We see no reason to doubt that an effective service might readily have been obtained on better terms. If these contracts should be approved, the Post Office of this country would (on the basis of the figures for 1868) be paying about 117,000*l.* per annum gross for services nearly identical with those for which the United States Post Office pays about 38,000*l.*, and would make an annual loss of 42,000*l.* where the United States make a gain of 37,000*l.*

P. Hill, 102, 103. Dunca
372.
F. Hill, 494. Scudamore,
1045.
Hunt, 1164.

“ 5. We are of opinion that, considering the already large and continually increasing means of communication with the United States, there is no longer any necessity for fixed subsidies for terms of years in the case of this service; and having regard to the views expressed, before these contracts were made, by two Committees of the House; to the small value of one of the services; to the erroneous calculation on which both contracts were approved; to the difficulties which these contracts would for eight years throw in the way of any great reduction of postage; and to the express power of disapproval contained in the contracts themselves; we recommend that the contracts with Messrs. Cunard and Mr. Inman's Company be disapproved, compensation being made on the basis of the contracts for services already performed in the present year.

“ 6. The evidence which has been given to us leaves no doubt that it is now both desirable and practicable to establish a self-supporting penny postage between this country and the United States. We recommend immediate negotiation with the United States Government, with a view to obtain so great a boon for the people of both countries.”

Robinson, 733-738. 752.
Guion, 773-775. 783.

Motion made, and Question proposed, That the Draft Report proposed by the Chairman be now read a second time, paragraph by paragraph,—(Mr. *Hamilton*).—Amendment proposed, to leave out the words “ the Chairman,” in order to insert the words “ Mr. *Graves*”—(Mr. *Graves*)—instead thereof.—Question put, That the words “ the Chairman,” stand part of the Question.—The Committee divided:

Ayes 3.
Mr. *Hamilton*.
Mr. *Talbot*.
Mr. *Seely*.

Noes, 3.
Mr. *Greaves*.
Mr. *Graves*.
Sir *Massey Lopes*.

Whereupon the Chairman declared himself with the Ayes.—Question put, and *agreed to*.

Paragraph 1, amended, and *agreed to*.

Paragraph 2, amendments made. Amendment proposed at the end of the paragraph, to add the words: “ We think it right, however, to add that this Committee expressed a doubt whether it was advisable to enter into running contracts terminable at short notice”—(Sir *M. Lopes*).

Question put, That those words be there added.—The Committee divided:

Ayes, 3.
Mr. *Greaves*.
Sir *M. Lopes*.
Mr. *Graves*.

Noes, 3.
Mr. *Hamilton*.
Mr. *Talbot*.
Mr. *Seely*.

Whereupon the Chairman declared himself with the Noes.—Paragraph, as amended, *agreed to*.

Paragraph 3. Amendment proposed at the end of the paragraph to add the words—
106. b 3 “ But

“But in this Minute the Lords of the Treasury declared it to be their opinion that, from the very nature of the case, the responsibility of arriving at a right decision must rest mainly with the Executive Government, and be decided in each instance upon its own merits, with a view of arriving at the best result for the public service under existing circumstances,” and they added, “that they must not be understood as attaching any undue importance to abstract principles, but simply as indicating some of the leading considerations which it would be desirable, as far as circumstances might admit, to keep in view”—(Sir *M. Lopes*).—Question put, That those words be there added.—The Committee divided :

Ayes, 3.
Mr. Greaves.
Mr. Graves.
Sir M. Lopes.

Noes, 3.
Mr. Hamilton.
Mr. Talbot.
Mr. Seely.

Whereupon the Chairman declared himself with the Noes.—Paragraph *agreed to*.

Paragraphs 4 and 5, *agreed to*.

Paragraph 6, *disagreed to*.

Amendment proposed, instead of paragraph 6, to insert the following new paragraph in the Draft Report: “The payment for the services is fixed at a rate of 70,000*l.* per annum for two weekly services by the Messrs. Cunard, on Wednesday and Sunday, from Queenstown to Boston and New York respectively, and at a rate of 35,000*l.* per annum for one weekly service to be performed by Messrs. Inman, on Friday, from Queenstown to New York”—(Mr. *Graves*).—Question, That this paragraph be here inserted,—put, and *agreed to*.

Paragraphs 7 and 8, *agreed to*.

Paragraphs 9 to 12, amended, and *agreed to*.

Paragraph 13, read, and *postponed*.

Paragraph 14, amended, and *agreed to*.

Paragraph 15 read, and amended.—Amendment proposed in line 4, to leave out from the words “113,000*l.*” to the end of the paragraph, in order to insert the words, “For the reasons stated in evidence we think the gross postage, less the establishment charges, may be considered fairly applicable to this purpose”—(Sir *Massey Lopes*)—instead thereof.—Question put, That the words proposed to be left out stand part of the paragraph.—The Committee divided :

Ayes, 3.
Mr. Hamilton.
Mr. Talbot.
Mr. Seely.

Noes, 3.
Mr. Greaves.
Mr. Graves.
Sir M. Lopes.

Whereupon the Chairman declared himself with the Ayes.

Paragraph, as amended, *agreed to*.

Paragraph 16, amended, and *agreed to*.

Paragraph 17, *disagreed to*.

Amendment proposed, to insert the following new paragraph after paragraph 16 in the Draft Report—“If, therefore, the Post Office carry out the instruction which they have received from the Treasury, and put an end to the existing weekly service from Southampton, the payment of 105,000*l.* to Messrs. Cunard and Inman will at once be covered by the gross postage, and the increasing produce of the letters from year to year may, from time to time, be applied for the purpose of making such reductions of the rate of postage as the Post Office thinks it desirable to have”—(Sir *M. Lopes*).—Question put, That this paragraph be here inserted.—The Committee divided :

Ayes, 3.
Mr. Greaves.
Mr. Graves.
Sir M. Lopes.

Noes, 3.
Mr. Hamilton.
Mr. Talbot.
Mr. Seely.

Whereupon the Chairman declared himself with the Noes.

Paragraph 18, *disagreed to*.

Amendment proposed, to insert the following new paragraph after paragraph 16.

“It is evident to your Committee that great and serious inconvenience would be entailed on the Mercantile Community by an abrupt termination of the present highly efficient postal communication with the United States, more especially as it does not appear that any other equally regular and inefficient service could be substituted for it.

It

It has been stated to Your Committee that the Post Office has the power to send the Mails as Ship Letters, but it is clear that even if the Ship Letter enactments were ever intended to apply to mails of this size and character, they involve no obligation on a shipowner to call at a particular port for the Mails, or to wait at any port for them; and that it would be difficult, if not impossible, to enforce them against an unwilling shipowner"—(Mr. Graves).—Question put, That this paragraph be inserted in proposed Report.—The Committee divided:

Ayes, 3.
Mr. Greaves.
Mr. Graves.
Sir M. Lopes.

Noes, 3.
Mr. Hamilton.
Mr. Talbot.
Mr. Seely.

Whereupon the Chairman declared himself with the Noes.

Amendment proposed, to insert the following new paragraph after paragraph 16.

"Under all the circumstances, we are of opinion that, considering the already large and continually increasing means of communication with the United States, there is no longer any necessity for fixed subsidies for terms of years in the case of this service; and having regard to the fact that a weekly service had been carried on by Mr. Inman in 1868, in consideration of receiving the sea-postage only, to the difficulties which these contracts would for eight years throw in the way of any great reduction of postage, and to the express power of disallowance by the House of Commons contained in the contracts themselves, we recommend that the contracts with Messrs. Cunard and Mr. Inman's Company be disapproved, compensation being made, if necessary, on the basis of the contracts for services already performed in the present year"—(Mr. Seely).

Amendment proposed to the proposed Amendment, by leaving out from the word "that" in line 1, to the end of the proposed paragraph, in order to insert the words, "We should have preferred contracts for a shorter term, based on the amount of postage realised; but, looking at the importance of a rapid, regular, and efficient communication by post with America, to the excellence of the service hitherto performed, and to the fact that no suitable offers on this principle have been made, in the absence of more weighty reasons than those which have been adduced, we hesitate to recommend that the contracts be disallowed"—(Mr. Graves)—instead thereof:—Question put, That the words proposed to be left out stand part of the proposed paragraph.—The Committee divided:

Ayes, 3.
Mr. Hamilton.
Mr. Talbot.
Mr. Seely.

Noes, 3.
Mr. Greaves.
Mr. Graves.
Sir M. Lopes.

Whereupon the Chairman declared himself with the Ayes.

New paragraph *agreed to*, and inserted in the Draft Report.

Paragraph 19, *disagreed to*.

Paragraph 20, amended, and *agreed to*.

Paragraph 21, read, and amended. Amendment proposed in line 1, to leave out from the word "Committee" to the end of the paragraph, in order to insert the words, "are of opinion that although the House of Commons has an undoubted right to terminate the present contract, yet inasmuch as the present arrangement was settled in October last (the 7th), and the present contractors have, in the faith of that agreement, been carrying out its provisions since 1st January (nearly three months) and have already incurred considerable expense and inconvenience in their arrangements for this object; inasmuch also as no proof of excessive terms has been substantiated, no dissatisfaction has been either proved or expressed with reference to the fulfilment of these conditions, your Committee recommend, under existing circumstances, that it is advisable that the present contract should be continued"—(Sir Massey Lopes)—instead thereof.—Question, That the words proposed to be left out stand part of the paragraph.—The Committee divided:

Ayes, 3.
Mr. Hamilton.
Mr. Talbot.
Mr. Seeley.

Noes, 3.
Mr. Greaves.
Mr. Graves.
Sir M. Lopes.

Whereupon the Chairman declared himself with the Ayes.

Paragraph *agreed to*.

Postponed paragraph 13, amended, and *agreed to*.

Motion made, and Question, That the following paragraph be inserted in the Draft Report:—

"Your Committee would, in conclusion, strongly recommend, in order to avoid all similar difficulties for the future, to do justice to all parties concerned, to give Parliament an opportunity of deliberately dealing with these questions, that all such or similar contracts
106. should

should be considered by the Government, and brought before the House of Commons in the spring, rather than in the autumn, of the year preceding their expiration. They further regret that the time allowed for inquiry into these matters has been so limited, and they think that this difficulty might have been avoided had the contracts been placed on the Table of the House on the assembling of Parliament"—(Mr. *Graves*)—put, and *agreed to*.

Question, "That this Report, as amended, be the Report of the Committee to the House,"—put and *agreed to*.

Ordered,—To Report, together with the Minutes of Evidence and an Appendix.



MINUTES OF EVIDENCE.

LIST OF WITNESSES.

Wednesday, 17th March 1869.

| | Page. |
|--------------------------------|-------|
| Herbert Taylor, Esq. - - - - - | 1 |
| Pearson Hill, Esq. - - - - - | 10 |
| Thomas Wallis, Esq. - - - - - | 20 |
| Andrew Duncan, Esq. - - - - - | 27 |

Thursday, 18th March 1869.

| | |
|---|----|
| Frederick Hill, Esq. - - - - - | 37 |
| William Edward Baxter, Esq., M.P. - - - - - | 49 |
| Mr. Andrew Maris - - - - - | 53 |
| Mr. Frederick Rodewald - - - - - | 55 |
| Mr. James Robinson - - - - - | 55 |

Friday, 19th March 1869.

| | |
|---|----|
| Stephen Barker Guion, Esq. - - - - - | 59 |
| Marquis of Hartington, M.P. - - - - - | 60 |
| Frank Ives Scudamore, Esq. - - - - - | 63 |
| Right Hon. George Ward Hunt, M.P. - - - - - | 86 |
| Mr. Andrew Duncan - - - - - | 93 |
| Mr. Thomas Wallis - - - - - | 94 |
| Mr. William James Page - - - - - | 94 |

Saturday, 20th March 1869.

| | |
|--|-----|
| Russell Sturgis, Esq. - - - - - | 97 |
| Francis Alexander Hamilton, Esq. - - - - - | 102 |
| T. S. Morgan, Esq. - - - - - | 105 |
| John Burns, Esq. - - - - - | 106 |
| Mr. William Inman - - - - - | 125 |
| Frank Ives Scudamore, Esq. - - - - - | 135 |
| George Chetwynd, Esq. - - - - - | 136 |

MINUTES OF EVIDENCE.

Wednesday, 17th March 1869.

MEMBERS PRESENT.

| | |
|--------------|---------------------|
| Mr. Dent. | Mr. E. T. Hamilton. |
| Mr. Graves. | Mr. Seely. |
| Mr. Greaves. | Mr. Talbot. |

JOHN DENT DENT, Esq., IN THE CHAIR.

Herbert Taylor, Esq. ; Examined.

1. Mr. Seely.] ARE you a merchant in the City?—I am.
2. Have you any interest in any steamship packet company?—None at all, not of any kind or description.
3. Have you for many years paid much attention to the mail communication with the United States?—I have; I am engaged in the American trade.
4. Largely?—That is a matter of opinion; probably not.
5. Have you any objection to offer to the contracts which have just been entered into by the Post Office with the United States?—Yes; I consider them very objectionable on many grounds. First, I object entirely to the system of a fixed subsidy, and by subsidy I mean a sum paid to steamers for the conveyance of mails, irrespective of the amount of mail matter carried. No doubt, many years ago, when steam navigation was first introduced on the Atlantic, it was absolutely necessary to offer some large inducement to persons to make the experiment of sending vessels on those long voyages. That large inducement was offered, and contractors had that inducement for many years. They carried on the service very successfully, but the improvements in navigation and the improvements in science enabled other persons to build vessels equally good in every respect—in many cases larger, and to perform the voyage with equal regularity and probably equal speed, in some cases superior; and those parties have been running those steamers for many years with no subsidy at all. The English Post Office for a number of years, in fact until the end of 1867, would not entertain a contract with any other line for the conveyance of mails to America, except the Cunard line, and the consequence was that the mails from England on every day, except Saturdays, were conveyed, either by British, by American, or by German steamers under contract with the United States Government. We therefore wrote once a week under contract with the British Post Office, and, as the case might be, from time to time two or three times a week under contract with the United States Post Office. Those are the principal objections on the general ground; but this particular contract is open to objections on its own special grounds.
6. You mean the Cunard contract?—The contract under consideration, the joint contract with the Cunard and Inman lines, which is before you; I consider that as one contract.

H. Taylor, Esq.
17 March 1869.

H. Taylor, Esq.
17 March 1869.

7. *Chairman.*] Was there a regular mail service by other vessels besides the Cunard vessels up to the end of 1867?—There was; there was one by the Inman line, which was one of the finest lines afloat under contract with the United States Government for sea postage only; there was one by the Bremen boats, and one by the Hamburg boats, also under contract with the United States for sea postage only.

8. Were those three distinct services; were the Hamburg and the Bremen distinct?—They were different companies.

9. *Mr. Hamilton.*] In no case was there any subsidy?—No; neither from the British Government nor anybody else; by subsidy I mean a fixed sum, irrespective of the amount of mail matter carried.

10. *Mr. Graves.*] What was the rate of sea postage then?—I am not prepared to answer that question; I can tell you what it is now, and what it was last year. Those remarks apply to the conveyance of mails up to the end of 1867; the conveyance of mails was arranged differently in 1868. I will proceed to point out the special reason why we object so strongly to the contract under consideration. The Cunard Company own six vessels of the first class, by which I mean vessels which are capable of performing the voyage within the time in which other fast vessels perform it, and six vessels is the smallest number with which it is possible to perform a service once a week; they also possess a fleet of 14 vessels, I think it is, of inferior character; they are smaller vessels, of smaller horse power, and much slower speed; and under the contract in question, they are to be given the same sum of money for the conveyance of mails by those 14 slow boats (which are technically known by those in the trade as the slow cargo boats), as the sum to be given to them for the conveyance of mails by the fast boats, and also the sum to be given to Mr. Inman for the conveyance of mails by his fast boats. These boats of the Cunard Company, the 14 cargo boats, are, in fact, so slow (though they are perfectly safe boats) that in almost every instance the steamer of the Inman line, which I consider amongst the first-class steamers, which has left Liverpool on the day after the slow cargo boat of the Cunard Company, has arrived out in America before the cargo boat of the Cunard Company which left the day before. In addition to that, these slow cargo boats go to Boston, and the bulk of the correspondence with the United States is wanted to go to New York, both for New York itself and for the other points which are served from the port of New York; and consequently this delay in the arrival of the Cunard cargo boats at Boston affects the whole mails to the southern points of the United States; and the mails which have left Liverpool on the Wednesday by the Inman fast boat for points south of New York have, I believe I am correct in saying, in every instance since the 1st of January, when this new contract commenced, been delivered at all points south of New York before the mails forwarded by the slow cargo boats of the Cunard Company which left Liverpool on the Tuesday. I therefore repeat that, though I and a great many of the merchants in the American trade object to fixed subsidies, we should not have felt so strongly in this particular case if we had not felt that we were to be called upon to pay a large sum of money for a line which was notoriously unable to perform the service as well as the other lines of the first class to which we pay the same sum.

11. *Mr. Talbot.*] How many days would the slow cargo boats be going across?—Eleven to seventeen, eighteen and twenty days.

12. What are the names of those slow cargo boats?—The "Tripoli" is one.

13. They are screws, are they not?—They are all screws; all the boats to which I allude are screws; there is only one vessel that crosses the Atlantic that is not a screw; that is the "Scotia," an old boat now.

14. You are speaking of vessels of the class of the "Alps," the "Andes," and those boats?—The "Alps" and the "Andes" have passed away long ago.

15. You are speaking of that class of vessel?—Yes.

16. *Mr. Seely.*] Have you ever written to the Post Office, objecting to those contracts?—I have, repeatedly; in fact, I began corresponding with the Post Office on the subject of the alterations in the mails, which took place at the end of last year—I think in the month of October; up to that time, in addition to the other contracts for the conveyance of mails to America, the Post Office had a contract with the Hamburg American Company for the conveyance of mails once a week from Southampton to New York; I must mention that the steamers

285

H. Taylor, Esq.

17 March 1869.

steamers of that Company are, I will not say the very fastest afloat, but they are unquestionably amongst the fastest afloat, and the question is whether some of them are not faster than anything else afloat; at all events, they are more modern vessels than most of those of the other companies; but owing to certain disputes, which I know nothing about, between the Post Office and the company, the company gave notice to terminate the contract, and the boats ceased carrying the mail about the end of October.

17. *Chairman.*] That is the Hamburg Company?—Yes; I wrote to the Secretary to the Post Office on the 31st of October, complaining that we were not to have the benefit of sending a mail by those steamers. If you wish it I will read that letter: “31st October, 1868.—Sir,—We understand that with the departure of the ‘Westphalia’ from Southampton for New York, yesterday, the contract with the Hamburg American Steamship Company for the conveyance of the mails to New York came to an end. As the steamers of this line are all very fast, we found the sailings on Friday a great convenience, and always have occasion to write by them, and we trust that the contract will be continued, and that we may be enabled to write as hitherto by the steamer of Friday next, 6th proximo.—We are your obedient servants, DAVID TAYLOR and SONS.” I again wrote to the Post Office on the same subject on the 5th of November, and on the 10th of November.

18. Can you state to the Committee any particular instances in which you yourself suffered by the arrangements of the Post Office?—I can state one instance in relation to the steamer “Westphalia.” On the 10th of December I wrote to the Post Office: “Sir,—The fast steamer ‘Westphalia,’ of the Hamburg American line, leaves Southampton to-morrow for New York. We are shipping goods by her; but, owing to the defective arrangements of the Post Office, we are unable to write by her, although she will be in New York at least as soon as the ‘City of London,’ which left Liverpool yesterday, and probably two or three days before the ‘Australasian,’ which is to leave Liverpool on the 12th instant. We consider it a public grievance that we are not allowed, through the caprices of your department, to avail ourselves of this opportunity.—We are your obedient servants, DAVID TAYLOR and SONS.” As a matter of fact, we did succeed in sending our documents by the steamer, but we had to send them as a parcel in brown paper, and had to pay 5 s. for them.

19. *Mr. Talbot.*] You were not writing on behalf of other firms as well as your own?—No; on behalf of my own firm. We had to send it as a parcel and pay 5 s. instead of 6 d.

20. *Mr. Seely.*] Had the Cunard Company any subsidy for the boats they sent to Boston in 1868?—None at all. The history of those voyages is rather remarkable.

21. Did those boats which they sent to Boston, and which had no subsidy, call at Queenstown?—They did; there were 33 voyages made by the Cunard steamers in 1868 from Liverpool to Boston, calling at Queenstown without any subsidy, and carrying no mails except ship-letter mails; they were sent by the Cunard Company to Queenstown, I presume, for the same reason that other shipowners dispatched their vessels on voyages, because there was cargo and passengers to make it pay, without the inducement of a subsidy at all, or any money from the Post Office.

22. Supposing that Messrs. Cunard should object to take the mails unless they have a fixed subsidy, do you think there would be any difficulty in obtaining ships of other companies to perform the service equally well?—I am satisfied that there would be no difficulty at all; to begin with, the Post Office could always send letters as ship letters by the Cunard line when the vessels sailed; the fact of the Cunard ships having made voyages to Boston all through 1868 without any subsidy, and that other companies are sending steamers two or three times a week to the United States without any subsidy, would show that there would be an inducement for them to continue in the trade even without any subsidy at all; I have no doubt that a service can be arranged four times a week entirely irrespective of the Cunard line, but I should be extremely sorry to see that, because the six fast boats which we used to consider as the regular mail boats of the Cunard line are as fine boats as any afloat, and we should wish to see them employed in carrying mails, but we object to paying them for carrying the mails at a price entirely beyond the service performed; and, in the second place, to paying them a similar sum for the performance of the service by vessels notoriously incompetent to perform it with proper speed.

H. Taylor, Esq.
17 March 1869.

23. Can you speak to the speed of those 14 vessels of the Cunard line, which you alluded to as slow cargo boats?—I cannot; nobody can do that who has not the actual returns of their performances at the measured mile; they are notoriously nothing like as fast as what are known as the fast mail boats, and that clause in the new contract which stipulates that boats shall be employed which can perform not less than 12 knots at the measured mile would be a very proper and judicious clause, if it were not followed by the permission to the Cunard line to employ 14 boats of their present fleet, which in my belief could not perform 12 knots at the measured mile, and certainly cannot perform the voyage within one to two days of the time occupied by the fast mail boats; and in speaking of fast mail boats I include, not merely the six boats of the Cunard Company, but the five boats of the Inman fleet, the Hamburg fleet, and the Bremen fleet; in fact, it is rather a remarkable thing that the Cunard Company, having had a series of contracts for now nearly 30 years, have built no new boats lately at all, whilst Messrs. Inman, who have had no contract till this year, and the Hamburg Company and the Bremen Company have been building new boats faster, finer, and larger, from year to year, and are even building them now. The Cunard Company have built no new boats since the "Russia"; I have not the date at which she was built; I believe it was 1865 or 1866; the other boats are the "Scotia," built in 1862, the "Java," built in 1865, the "Australasian," built in 1857, the "Cuba," built in 1864, and the "China," built in 1862; those are the vessels with which they were running the mail line last year, being all old boats.

24. What is the practice of the United States with regard to the payment for letters carried to this country?—The United States never give a contract for more than one year, or two years at the outside, for the conveyance of mails to Europe for many years, and I believe at the present time, they require persons tendering for the conveyance of mails to send in a list of the steamers they propose to employ, and the passages those steamers have made across the Atlantic in the preceding year, and they select those that are the fastest and most capable of performing the voyage.

25. How do you know this?—I know it from having read the forms of contract as put out in the American newspapers; and I have also been informed of it by the agents of the steamers, and I see it is confirmed by some remarks that were made in page 33 of the Parliamentary Return, No. 42, of last year; in that return there is a letter from the Duke of Montrose to the Treasury containing this passage: "For the conveyance of those mails the United States Government are to provide, and it is to be supposed that they will continue the practice which they have followed for some time past, of taking up not every ship of a company working from New York, but such of the ships of that company as seem most likely to make a speedy voyage;" and you will find it further confirmed in page 48 of the same Return, in the proposals issued by the Post Office department at Washington, clause No. 4: "Bidders tendering steam ships which have been employed in the Transatlantic Mail service during the present year should transmit with their proposals, authentic statements of the actual time occupied by such steamships in performing each outward passage from the United States to the United Kingdom during the year 1867." At the present moment, the United States provides for the conveyance of mails from the United States to the United Kingdom; it pays for those mails only on the actual weight put on board each steamer, and the rate it pays is 15 cents currency, equal to about sixpence sterling per ounce, being only half the rate which our Government is now paying to the Bremen Company, and which it proposed to all the steamers. It actually has contracts at the present moment on those terms for the conveyance of mails by the steamers of the Hamburg Company, the Cunard Company, the Bremen Company, and the Inman line, so that, in fact, the Cunard and the Inman lines are at this moment conveying mails from New York at half the rate of sea postage, which was considered proper by our Post Office, and are demanding a large fixed subsidy from the English Post Office for the conveyance of mails the other way.

26. Can you refer to any page in that newspaper, from which you have first read an extract, which shows what the United States pay?—I cannot lay my hands on it at this moment; I have no doubt myself that if our Post Office were to put their foot down, as the Americans have done years ago, and say, "We will, under no circumstances, pay a fixed subsidy for the conveyance of mails to New York," the service would be equally well performed for the sea postage only;

28

H. Taylor, Esq.
17 March 1869.

only; and not only that, but there might be more frequent opportunities of conveying the mails to the United States. I am satisfied Mr. Inman would be perfectly prepared to run his steamers on those terms, because a great point which he makes is, that his vessels are as good as those of the Cunard Company, and whatever terms they are under he asks that he should be under also. With respect to the service of the Cunard Company by their slow cargo boats, which we all object to so much, because an exorbitant sum is paid for the performance of the service, I have myself this morning received a letter from Messrs. Guion, who are owners of steamships in Liverpool now running from Liverpool to New York, and which, I have no doubt, would perform the voyage in at least as short time as the slow cargo boats of the Cunard Company, offering to convey the mails weekly for the sum of 1*d.* per ounce, being a twelfth of the sum our Post Office thought a proper sum to pay, and one-sixth of the sum which the United States Post Office are at this moment paying; this letter explains why Messrs. Guion did not tender for the contract in answer to the Government invitations last year; the letter is to this effect:—"Liverpool, 16th March 1869. Herbert Taylor, Esq., 61, Mark-lane, London.—Dear Sir, We are much obliged for your letter of 14th instant, as we quite agree with your views with regard to cheap Ocean postage. When the late Government, in October last, asked us to tender for the ensuing year, we were not in a position to do so, not having at that time a sufficient number of steamers afloat for a weekly service, but if we had had any idea that the tender was to be for eight years we would have undertaken it and been willing to pay forfeit for the two weekly sailings which we have missed this year; since then, however, we have launched two new boats, and are now fully prepared for a weekly departure from Queenstown. We shall be glad, as you say, to carry a mail for the sea postage, but we go even farther than this, and would be willing to inaugurate with our line a penny postage service. The average of our passages for the last year from Queenstown to the Battery, New York, is 12 days 14 hours and 36 minutes; and from the Battery, New York, to Queenstown, 10 days 13 hours and 24 minutes. The weather in the Atlantic, during the past winter, has been exceptionally severe, and we feel confident that in ordinary seasons we shall make a much better average to the westward.—We are, dear Sir, your's truly, GUION & Co."

27. You have spoken of the Cunard Company's boats leaving Queenstown on the Wednesday: do they invariably run their slow boats from Queenstown on the Wednesday?—No, we only wish they did; last year we had a Cunard fast boat always on Sunday from Queenstown and then we knew precisely where we were; this year, I presume, in consequence of complaint, I cannot say why, every now and then they take their fast boats off the Sunday line and put them on to the Wednesday line, so that we have to keep a very sharp look-out to know whether they are going to send a slow boat or a fast boat on the Sunday. If they send a fast boat on the Sunday we write our usual number of letters and forward them on the Saturday from London; if, on the other hand, they send a slow boat on the Sunday we simply write a smaller number of letters, probably 25 to 50 per cent. less than we usually write, and we keep back our mail to New York for the Bremen boat sailing from Southampton on Tuesday morning, and for the Cunard fast boat which, in that case, leaves Queenstown on Wednesday for Boston, and that, I know, is the practice of most other persons in the trade, and, of course, it interposes an element of uncertainty, which is a very great inconvenience; formerly, until this new contract was started, we had a fast boat of the Bremen Company leaving on Tuesday morning; we had a fast boat of Mr. Inman leaving on Thursday, and we had a fast boat of the Cunard Company leaving on Sunday; it did not signify what boat it was; they were all practically of about the same rate of speed, and we wrote letters for the first mail. Now we have to select the mails; and, if we find it is a slow cargo boat going on Sunday, we do not write by her, but if we find a fast boat is going on Sunday we do write by her.

28. *Chairman.*] The fast service you speak of was in 1867?—No, in 1868. On the 13th of February in the present year the Cunard Company sent from Queenstown on Sunday one of the best of their slow cargo boats called the "Samaria;" she left Liverpool on the 13th and arrived at New York on the evening of the 27th. On the 16th of February, three days afterwards, they dispatched from Liverpool one of their fast boats, and one of their best boats, the "Java," to

H. Taylor, Esq.
17 March 1869.

Boston, and that boat arrived at Boston on the morning of the 27th ; in fact, she reached Boston about 12 hours before their slow cargo boat, which left Liverpool three days before, arrived at New York.

29. Mr. Seely.] Are you taking Queenstown as the point of departure in both instances?—No, in both instances I am taking Liverpool. The same thing happened last Saturday ; the steamer “Siberia” (which is a sister ship to the “Samaria,” and probably one of the best of their cargo boats), left Liverpool on Saturday, and their fast steamer “Cuba” left Liverpool on Tuesday, the 16th of March, for Boston ; the consequence was, we wrote very few letters indeed by the “Siberia ;” I wrote with my own hand three letters only instead of 15 to 20 that I generally write, and I divided the remainder of the letters between the Bremen boat which left on Monday and the fast Cunard boat which left yesterday, the 16th.

30. Is it your opinion that we were better served by having those services you referred to in 1868 than we shall be now by the services of 1869?—Most unquestionably ; in fact, the so-called three services now, the one service of the Messrs. Inman, and the two services of the Cunard Company, as far as the English mercantile public are concerned, are practically two services only, for the reason I have already explained ; but the people who will suffer most are those on the Continent who send letters *vid* England, which are bound to be sent forward by the first mail steamer leaving England after the arrival of the letters, and, consequently, those which reach England on the Tuesday will go forward by the slow Cunard boat on Wednesday from Queenstown, and in most cases will not reach America until after the arrival of the mail going by the vessel belonging to the Inman line, going on Thursday from Queenstown ; that happened in one instance this year, and I believe there was a delay of something like 36 hours in the arrival of the mail.

31. Are you aware whether the different lines of steamers leaving the ports of this kingdom start invariably on a fixed day?—I believe they do ; all that I know of.

32. I mean the large lines?—All the lines that I know ; I could name five or six.

33. They start on a fixed day?—Yes, they start on a fixed day ; all the lines also leaving Liverpool for the United States, with the exception of the Canadian line which calls at Londonderry, without exception, call at Queenstown, the reason being that Queenstown is a port where a large number of steerage passengers are collected ; and it is therefore a great economy to those vessels which embark steerage passengers to call at Queenstown rather than have the expense of sending those passengers to Liverpool ; and, in fact, it does not seem to be generally known that now the Cunard Company are also carrying emigrant passengers precisely the same as any other company by all their vessels, with the exception of a vessel which they send about once a month, and for which they charge extra fare, inasmuch as it carries first class passengers only. Both their fast mail steamers and the slow cargo steamers carry those passengers, in the same way as the Bremen Company, the Hamburg Company, and the Inman Company do. I believe in their advertisement they say a limited number ; that I do not know anything about ; I suppose practically they take as many as they can get.

34. Is it not to the interest of those different lines of steamers to go as quickly as they can?—I should suppose so ; the object of the owners, of course, is to get rid of their passengers and cargo as soon as possible, so as to be able to make a fresh voyage ; the fast steamers have an extra inducement to make quick voyages in the payment of extra freight.

35. Are not the fast steamers likely to get more passengers and more goods than the slow steamers?—They do as a matter of fact ; I can give you an instance in my own case : In December 1867, I had occasion to go to New York, and there were three or four steamers leaving about the same time ; there was the “Hammonia,” of the Hamburg Company’s line, the “City of Washington,” of the Inman line, and there was the “Persia,” of the Cunard Company’s line. The “Hammonia” and the “City of Washington” left the same day, the “Hammonia” leaving Southampton, and the “City of Washington” leaving Liverpool, while the “Persia” left Liverpool three or four days afterwards. I was in a hurry to get to New York, and therefore I selected the fastest steamer, and I went by the “Hammonia” ; my choice was justified, because while the
“Hammonia”

“Hammonia” occupied $10\frac{1}{2}$ days on the passage, the “City of Washington” took 16 days, and the “Persia” took 13 days; that I give as an illustration, showing that people look out for the fastest steamers by which to go; people go by the vessel which they learn by repute makes the fastest passages, and not merely because it belongs to this or the other line.

36. Supposing a mail packet arriving at a port in the United States should delay the delivery of the letters, have you any knowledge what the Post Office of the United States would do in such a case?—I cannot answer as regards the question of the mail packets, because the mail packets are always under special regulations in every country; but I can answer with regard to ship letters. The law of the United States is, that any vessel arriving with ship letters in a port of the United States where there is a post office, is bound under a penalty to deliver those letters to the Post Office before taking any other steps of any kind or description, and there is a considerable penalty imposed upon the captain if he does not do so; and, in fact, the collector requires a declaration, which, I suppose, would be the same as an oath to that effect. This is from the Act of the 18th Congress, Session 2, chapter 64, 1825; and it is again recognised in 38th Congress, Session 1, 1864, “No ship or vessel arriving at any port within the United States where a post office is established shall be permitted to report, make entry, or break bulk, until the master or commander shall have delivered to the postmaster all letters directed to any person or persons within the United States or the territories thereof,” and the collector or officer of the port is to require a declaration that he has done so.

37. Mr. *Graves*.] I understand from you, that, in your impression, the sum now proposed to be paid to the Cunard Company for this service is very much in excess of the value of the service that would be performed by them?—That is my impression.

38. Have you any ground for stating that; have you any figures upon which you come to that conclusion?—I have none, except that I see Mr. Inman was paid 23,000 *l.* last year.

39. Are you aware what Mr. Inman realised on the Ocean Postage in the year previously?—I am not.

40. Are you aware that he realised more from the Ocean Postage than the other?—I do not know.

41. You are speaking merely from your impression?—That is all.

42. Can you tell the Committee whether the Hamburg Company offered to undertake any service from the British Government during the winter months in 1868?—I believe they did; I do not represent the Hamburg Company, therefore I cannot answer that question.

43. Are you aware that they refused to perform the service during the winter months unless they had an extra remuneration of 12,000 *l.*?—I do not know that.

44. You have alluded to the advantage to the mail steamers in calling at Queenstown for steerage passengers, and I think you pointed especially to the advantages which the Cunard Company enjoy; are you aware whether the boats calling there on Sundays do embark steerage passengers?—They advertise that they do.

45. Are you aware, in fact, whether they do or not?—I only know that they advertise to take them; and as they advertise to do so I assume, if I were to go as a steerage passenger, they would take me.

46. Are you aware that the emigration officers at Queenstown have refused on Sunday to allow clearances of steerage passengers in those vessels?—I cannot answer that question; I merely state that they carry steerage passengers according to their own advertisement.

47. Mr. *Hamilton*.] Are you aware whether there is any provision for sorting those letters on those unsubsidised boats?—I do not know whether there is or not; but I believe, as a matter of fact, the letters are not sorted on any of the boats.

48. Have you looked at the contract with the Cunard Company?—Yes.

49. Do not you observe that in that contract the company is bound to provide a sorting room?—Yes; but I believe the sorting is not done on board. I observe also another clause in the contract which is practically of no avail, but which is a clause which, probably unknown to the officials of the Post Office, puts a sum of 500 *l.* or 600 *l.* into the pockets of the contractors when they

H. Taylor, Esq.
17 March 1869.

convey mail officers, beyond what the same companies would receive for first-class passengers going by their first-class boats. The clause is nugatory, because I am informed that the Post Office sends no officer by the boats; but if the Post Office were to send an official by the "Siberia" for instance, to New York for the purpose of sorting the mail last Saturday, and I had gone as a first-class passenger by the same steamer, the Post Office would have paid 4 *l.* more for the passage of that officer than I should have paid, we each sitting at the same table and having the same accommodation.

50. The subsidy proposed to be paid to the Cunard Company is 70,000 *l.* a year?—Yes.

51. You told the Committee that you consider that this Government pays a very high price per ounce upon letters; that it is larger than the 15 cents per ounce that the United States pay, and that it was about six times as large as a private firm would do it for?—Yes.

52. Can you tell the Committee about how much that 70,000 *l.* represents per ounce?—I cannot; that includes not only letters at a shilling an ounce, but newspapers and parcels at so much per pound. I cannot get at those details.

53. Is it your opinion that, if there were no subsidized service, there would be a more frequent service than there is now to America?—Exactly; in the way you put the question, it is difficult to answer it; if there were no subsidized service, I presume the alternative would be that letters would be sent by the Post Office by every steamer leaving any port in the United Kingdom for the United States according as the writers of letters might mark those letters with the name of the steamer by which they wished them to be sent; if you mean that, there would be unquestionably more services, because at this moment there are many more lines of steamers leaving ports in the United Kingdom for the United States than carry mails. At this moment there are only four lines of steamers, excluding the Canadian line, that go throughout the year direct from a British port to ports in the United States, that is to say, the Bremen line, the two services of the Cunard line, and the one service of the Inman line; but there are also the steamers of the National Company which are comparatively slow; the steamers of Guion and Company which are not amongst the fast steamers, but which are faster than the slow steamers of Cunard: there are also the steamers of the Glasgow Company which run from Glasgow to New York, not touching at Queenstown, but at Moville or Londonderry, and which also occasionally run to Boston, therefore if there were no subsidy we should have a larger number of services, because we should be able to select which steamers we should send our letters by.

54. You think then that the stopping of all subsidies to steamers would, on the whole, be a gain to the commercial public?—I think so; as a matter of fact, the largest number of first class steamers crossing the Atlantic are those built and owned by companies which have never received a half-penny of fixed subsidy since they were started. The only company that has received such a fixed subsidy is the Cunard Company, who own six first-class steamers; we have, on the other hand, Mr. Inman, who owns seven or eight; we have the Hamburg Company, which owns six or seven; and we have the Bremen Company, which owns some eight or ten; therefore we have a fleet of twenty, or twenty-five first class steamers, which have been built without the assistance of any subsidy at all.

55. Is it or not the fact that, as to those six first-class steamers owned by the Cunard Company, they have the preference with the commercial public?—Certainly not.

56. You do not think they have?—No; since the month of November last, the Cunard Company have advertised that all their steamers, with the exception of one about once a month, will carry emigrant passengers; that has, no doubt, tended to cause some preference in favour of those steamers of the Cunard Company which do not carry emigrants; I do not know that it is on account of the vessels being better, or faster, or more comfortable vessels, but simply that people, if they can afford it, will always rather go in a vessel that does not carry emigrants, than in a vessel which does carry them.

57. I am not speaking of preference as regards the conveyance of passengers, but as regards the conveyance of the mails; take a first-class vessel unsubsidized, starting on the same day as a first-class subsidized vessel belonging to the
Cunard

H. Taylor, Esq.
17 March 1869.

Cunard Company, would the commercial public prefer that their letters should go by the Cunard vessel to their going by the unsubsidised vessel of the other company?—It would depend upon which unsubsidised vessel was going, and which vessel of the Cunard Company was going; if the “City of Paris,” belonging to the Inman line, was going, and any steamer of the Cunard line was going, it would be perfectly equal. If the “City of Paris” was going, and the “Cuba,” or the “China,” or the “Java,” was going, my impression is that the commercial public would prefer the “City of Paris.” In the same way if the “Westphalia,” belonging to the Hamburg American line, was going, I myself should certainly write by the “Westphalia,” in preference to either of the Cunard boats. Again, if the “Holsatia” were going, I should also write by the “Holsatia” in preference to either of the Cunard boats. If the “Hammonia,” belonging to the Hamburg Company, were going, and the “Russia” or “Scotia,” belonging to the Cunard Company, were going, I should write by the Cunard boat; if the “Java,” “Cuba,” or “China” were going, I should probably write by the Hamburg line, I should not much care which; I always endeavour to select a fast boat rather than a slow boat; we all of us watch the performances of those vessels; merchants say one to another, such and such a vessel performed the voyage in such a time the other day; our attention is thoroughly drawn to the subject in that way, and whenever we have the opportunity we send by those vessels which we consider to be the fastest.

58. Are the letters which arrive by some of the unsubsidised boats delivered as rapidly as they are if they arrive by the Cunard boats?—I cannot answer that question, because no letters are sent by unsubsidised boats.

59. I mean letters arriving here?—No mails are conveyed from the United States, except in vessels under contract with the United States Government; the United States Government gives no subsidy; but it has a contract with the vessels to carry letters on their terms.

60. My question has reference to sorting letters on board. Is not there more delay in the case of an unsubsidised vessel than in the case of a subsidised one; I do not call a vessel paid by sea postage a subsidised vessel; is not it your experience that there is more delay in the delivery of letters by one of the unsubsidised vessels than by a subsidised vessel?—There are no subsidised vessels that bring the mails from the United States. The Cunard Company, in the conveyance of mails from the United States, is not a subsidised Company. The contracts under consideration apply merely to the conveyance of mails from England to the United States. The British Government has no contract for the conveyance of mails from the United States to England. The Cunard Company, as regards letters between the United States and England, is in the same boat with the other companies; they are paid for the weight they carry, just the same as the Bremen Company, the Hamburg Company, and Mr. Inman.

61. For the voyage home they are all on the same footing?—Yes; none are subsidised on the voyage home.

61*. Mr. Greaves.] As to your statement with respect to the extra charge for the officer on board the steamer, I see the Cunard Company charge 26 *l.*, Mr. Inman 26 *l.*, and the North German Lloyd's charge 33 *l.*?—The 33 *l.* is out and home. At page 13 of the Parliamentary Paper containing the contracts with Messrs. Cunard and Company, Mr. Inman, and the North German Lloyd's, the contract is given under which the North German Lloyd's is running, clause 10 of which is, “That the contractors shall provide suitable accommodation and victualling for the officers employed in the service of the Postmaster General, as aforesaid, either as chief-cabin passengers, or as fore-cabin passengers at the option of the said Postmaster General, and the Postmaster General shall pay to the contractors, by way of passage money for the accommodation and victualling of each such officer, in respect of every voyage between Southampton and New York and back, the sum of 33 *l.* for every such officer who shall be treated as a chief-cabin passenger, and the sum of 22 *l.* for every such officer who shall be treated as a fore-cabin passenger.” Then this is the contract with the Cunard Company: “The Contractors shall also, in the case of the vessel leaving Liverpool every Saturday for New York, provide suitable accommodation and victualling for the officers employed to sort and make up the said mails, either as chief-cabin passengers or fore-cabin passengers, at the option of the said Postmaster General, and the Postmaster

H. Taylor, Esq.
17 March 1869.

General shall pay to the contractors by way of passage money for the accommodation and victualling of each such officer in respect of every voyage in either direction between Liverpool or Queenstown and New York the sum of 26 *l.* for every such officer who shall be treated as a chief cabin passenger, and the sum of 18 *l.* for every such officer who shall be treated as a fore-cabin passenger ;” so that whereas I pay 21 guineas as a first-class passenger the Post Office pay 26 *l.*, the effect of which is to give a gain of at least 500 *l.* to the contractors beyond what they would get for carrying the same person as an ordinary first-class cabin passenger.

62. Mr. Seely.] Is the ordinary fare for a first-class passenger by the Cunard line 21 guineas ?—Yes, by those vessels which carry emigrants, and 26 *l.* by those which do not.

63. Chairman.] Does that fare for the mail agent include any accommodation or provision that is not given to an ordinary first-class passenger ?—Not to my knowledge ; it does not say so.

64. As I understand it, the gist of your evidence is this : you would not pay any fixed subsidy to any company ?—No.

65. You would pay so much per ounce on the matter carried by the Post Office ?—Yes.

66. The great object is, I suppose, to have regular sailings and regular despatches of your letters, and that they should be as speedy as possible ?—Yes.

67. You stated that there are other companies receiving no subsidy sending regular steamers ; what companies are there to your knowledge now which would be prepared to perform the mail service efficiently ?—The Cunard Company would be one, Mr. Inman’s another, the Hamburg a third, and the Bremen Company a fourth ; by that means we should have a faster conveyance of the mails than now.

68. Two would sail from Queenstown and two from Southampton ?—That might be a matter of arrangement.

69. Are you aware that the North German Lloyd’s and the Hamburg Company object to calling at Queenstown on account of the danger of crossing the great line of traffic ?—The North German Lloyd’s do ; the Hamburg Company may have done so ; but the Hamburg Company is now prepared to carry the mail from Queenstown.

70. Are you aware that they demand a longer period for their passage than is specified in the proposed tender ?—When you talk of the length of passage you must state whether you mean from Queenstown or from Southampton, because there is a difference of 24 hours between the two.

71. Are you aware that the contracts with the Cunard boats include other matters besides the carrying of letters ; are there not certain conditions as to carrying officers of the army ?—I believe so ; but I believe they are practically of no avail.

72. Are not there also certain conditions as to the use of the vessels in time of war ?—Yes ; but I take it that those conditions are of no practical consequence whatever.

Pearson Hill, Esq., called in ; and Examined.

P. Hill, Esq.

73. Mr. Seely.] You are the son of Sir Rowland Hill ?—I am.

74. How long have you been in the Post Office ?—About 19 years.

75. In the Secretary’s office ?—In the Secretary’s office.

76. Have you, in that capacity, had much experience in dealing with statistics ?—Nearly the whole of the time I have been in the Post Office ; at all events, during the first 13 or 14 years whilst Sir Rowland Hill was Secretary, every important Return prepared by the Post Office had to be checked by me.

77. Have you seen the statement that, on letters conveyed from Ireland to New York, *via* Queenstown, as compared with Southampton, the saving would be 48 hours ; from Scotland 38 hours, and from the manufacturing districts of England, and from London, 18 to 24 hours ?—I have seen that statement.

78. Are

P. Hill, Esq.
17 March 1869.

78. Are you prepared to give the Committee any information with respect to what you believe to be the difference of time?—I am. I find—taking Great Britain first of all—that a letter posted at any town in Great Britain (exclusive for the moment of London and Southampton) will reach Queenstown and Southampton practically at the same time; therefore, as regards the land portion of the service, which I will deal with first, there is no loss of time, so far as Great Britain is concerned, in choosing Southampton as the port of departure rather than Queenstown. London would gain about 12 hours. That is to say, if you have two vessels sailing the same afternoon, one from Southampton and one from Queenstown, London can send a letter 12 hours later by the Southampton boat than it can by the Queenstown boat. Of course Southampton itself gains 24 hours. Then, as regards Ireland, I find that in Dublin a letter must be posted about 12 hours earlier to catch the Southampton boat than to catch the Queenstown boat, therefore on the land service Dublin loses 12 hours; but I find, as regards the provincial parts of Ireland, taking Belfast for example, the loss to Belfast is only about seven hours. If a letter is posted by the mail leaving Belfast at 2.55 in the afternoon, it would catch the Southampton boat; if it were despatched by the mail leaving at half-past nine at night, it would catch the Queenstown boat; therefore in Belfast a letter need be posted only six-and-a-half hours earlier to catch the Southampton boat. Cork is in the same corresponding position with Southampton. Cork would lose about 24 hours, if the port of departure were made Southampton. So much for the inland service. Then with regard to the sea service; the greater distance from Southampton to New York, as compared with the distance from Queenstown to New York, is, of course, only one element in the calculation. You must look to the speed of the different packets that run from these ports. I find from a Return furnished to Mr. Seely by the Post Office, and which is therefore authentic information, that taking 21 voyages that have been performed in the present year, there have been five voyages by the North German Lloyd's from Southampton, five by Cunard's cargo boats, five by the Inman boats, and six by the Cunard quick line of packets—

79. *Chairman.*] Those are passages during the present year?—Yes. It may perhaps be urged that that is too short a period to select for the calculation; but on the other hand it is the only period we have during which we can see how the service from Queenstown is performed when there are no penalties for delay, for it is only this year that the penalties have been abolished. I find that the length of passage by the North German Lloyd's vessels from Southampton is, on the average, 12 days and a half, disregarding minutes; the Cunard quick boats from Queenstown performed the voyage in 11 days 18 hours; the Inman boats, which are next in speed, took 13 days and one hour, and the cargo boats occupied 13 days 11 hours; I find, taking the average of the voyages from Queenstown, slow and fast, that the voyages from Southampton, which are performed in 12 days and 12 hours, only occupy three hours more than the voyages from Queenstown.

80. Will you give us the average of the Queenstown voyages?—The average of the Queenstown voyages, slow and fast, is about 12 days 9 hours, that is the average of the three Queenstown services. Going back, therefore, to the question of the delay caused to correspondence by adopting the Southampton route, Great Britain, judging from the experience of this year, loses only three hours, instead of 18 to 36; London gains about nine hours instead of 12; Southampton we may perhaps leave out of consideration, that gains 21 hours; and Ireland may be put down as losing about 10 hours. But I find if you carry the comparison a step further and compare the Cunard cargo boats, which it is proposed that the Post Office should use permanently, with the North German Lloyd's, which it is proposed should be discontinued, that the North German Lloyd's perform the voyage in a day less time than the slow cargo boats, so that by employing the Cunard slow cargo line instead of the North German Lloyd's, the correspondence of Great Britain is delayed about 24 hours, and that of Ireland about 12 hours.

81. Will you hand in that Return furnished to me by the Post Office?—(*The same was handed in.*)

Witness.] With regard to the Cunard cargo boats, I may say, I have here a Return I have prepared, from the telegraphic news of the arrivals of the vessels

Vide Appendix.

P. Hill, Esq.
17 March 1869.

at New York since the beginning of the year; it is not quite such authentic information as that furnished in the other Return; but, so far as the other Return goes, I have compared it against the information given in the public papers, and I find, practically, that the statements agree. Taking the number of voyages that have been made by the Cunard Company's Wednesday's boats (they are generally slow boats, but now and then they run a swift vessel), I find there have been eight trips performed since the beginning of the year; I should say the Wednesday's boats go to Boston; though the great mass of the correspondence is for New York and places in the neighbourhood. (*The Witness handed in the Return.*)

Vide Appendix.

82. *Chairman.*] To go back for a moment to the other Return of the 21 voyages, the time given in that Return as the time of the termination of the passage of the five cargo boats is the time of the delivery of the letters in Boston?—Yes; there would be a delay beyond that for New York.

83. According to that Return the Cunard cargo boats take 13 days 11 hours to Boston?—Yes.

84. But the arrivals of the others are given to New York?—Yes.

85. You ought therefore to add to the time taken by the Cunard cargo boats the time that it would take to New York from Boston?—Yes; it would be rather difficult to get information as to what that extra time would be, because it would depend upon the actual hour the Boston boat reached Boston. There are, I am told, only two trains a-day from Boston to New York.

86. Suppose you allow an average time between Boston and New York, you might put that time on?—Taking the distance from Boston to New York, the disadvantages to the United Kingdom of using Southampton as a port are about six hours less than I have stated, comparing the services of the North German Lloyd's with the services of the Cunard cargo boats.

87. *Mr. Hamilton.*] Or, putting it in another way, the disadvantage of using the Cunard cargo boats is six hours greater?—Yes.

88. *Chairman.*] You take six hours for the distance between Boston and New York?—I am not sure of the time occupied; I am told by some that it is six hours, and I am told by others that it is 12; I take the smaller number. Going back to the question about the Cunard cargo boats, I find that since the commencement of the year there have been eight Wednesday trips, of which I have the arrivals recorded. In seven of those cases, the mails for New York, sent by the Cunard cargo boats, have been overtaken by vessels carrying mails sailing later, in some cases by the Inman boat, which sails one day later, and in others by the Hamburg American boat, which sails two days later. I should explain that the Hamburg American boats do not call now at Southampton, therefore no English mails are sent by them; but I have ascertained from the Hamburg American Company that if they had the mails they would call at Southampton again; in that case they would not call at Havre, and therefore their arrival at New York would be the same as it now is.

89. You speak of the Hamburg American boats overtaking the cargo boats, but the Hamburg American boats do not touch in England?—I take it as if the Hamburg American boats still carried the mails from us; they leave Hamburg at the same time that they used to do, therefore they would pass our shores at the same time as before; I take their actual arrival at New York; they would not be delayed by calling at Southampton, because they would give up calling at Havre.

90. *Mr. Seely.*] Can you tell us, as a fact, that letters are not sorted on board?—They are not sorted on board.

91. Are they sorted on the railway?—They are sorted on the railway instead of on board; the sorting on board has been abolished since the 1st of January.

92. In a Return furnished me by the Postmaster General, I think it is stated that the sea postage would amount to 101,700*l.*?—It was so stated.

93. Will you read my question to the Postmaster General?—This was the question: "I should like to know, if you could inform me, the total amount which the Post Office received in 1868 for sea postage to the United States; this of course is exclusive of the inland postage, here and in the United States."

94. What is the answer given to me by the Postmaster General?—"The British share of the entire sea postage is estimated at about 101,700*l.*"

95. Can you give the Committee any information as to what the total sea postage

postage by the several lines of steamers amounted to in the year 1868?—I have here a Return, which I will put in, signed by the Receiver and Accountant General of the Post Office, showing the amount of sea postage on the mails carried by the different lines of steamers that ran from here to the United States in the year 1868. It appears that the total sea postage on the mails which the Cunard Company carried to the United States amounted to 28,686 *l.*, call it 29,000 *l.* On those by the Inman packets the sea postage was 23,390 *l.*; on those by the North German Lloyd's, 11,772 *l.*; and on those by the Hamburg American Company, which performed the service for only 10 months of the year, 5,157 *l.*; so that the total sea postage, according to this Return from the Post Office, instead of amounting to 101,000 *l.*, amounted to less than 70,000 *l.*—(*The Return was handed in.*)

F. Hill, Esq.
17 March 1869.

Vide Appendix.

96. *Chairman.*] How do you account for that discrepancy?—This Return is calculated, I find, on a somewhat different basis to the calculation which was made when Mr. Seely had that information given to him; the amount of sea postage on the mails has been estimated by the British Post Office as being 1*s.* per ounce, that is outwards; I should tell you that, of the total postage of 6*d.* charged on a single letter to the United States, 4*d.* is the sea postage, that is two-thirds of the amount, 1*d.* is for the inland service at this end, and the other 1*d.* for the inland service at the other end. This table has been calculated at those rates, and the figures are sufficiently accurate to give the information within perhaps five or ten per cent. Finding a very great difference between those two statements, a difference of more than 30,000*l.*, or about 40 per cent., I have endeavoured to ascertain the manner in which that former calculation was made; I happened yesterday to have some conversation with the gentleman at the Post Office who made that calculation of the 101,000 *l.*, and in talking over the matter with him I found many errors of principle in the basis which he had adopted, and perhaps I had better explain to the Committee one or two of those errors. I understand that under a convention with France we receive 1*s.* 4*d.* per ounce on letters sent by France through this country to the United States. Under the same convention or under another convention with the French Post Office, we are bound to charge no more than 1*s.* per ounce for the sea service on the mails that are sent, that leaves 4*d.* for the inland service, but by a convention recently entered into with America it has been agreed that we shall not charge 4*d.* for the inland transit service, but that we shall charge only 1½*d.*, per oz. This gentleman, in making the calculation, had first ascertained the gross postage by taking the mail the 1*s.* 4*d.* per oz., he had then deducted the 1½*d.*, and put the whole 1*s.* 2¾*d.* down as sea postage. The sea postage is limited by the convention to 1*s.* and the inland rate to 1½*d.*, therefore there is a waif and stray of 2¾*d.* which does not belong to the inland, but certainly does not belong to the sea postage, because it is specially excluded from it by the convention, and by this error the amount of sea postage on the French closed mails passing through this country has been over-estimated by about 25 per cent. I find also that this gentleman has made a yet greater error in the calculation of what was the British inland share of the postage. I should add that he was unwell at the time I spoke to him. I know he has been very hard worked, and I daresay if he looks at his calculations he may find that he has misled me a little, quite unintentionally, but still the effect would be very much the same. Out of the 6*d.* for the postage of letters between this country and America, 2*d.* is for the inland service, and 4*d.* is for the sea service; letters to the United States average about 3 or 3½ to the ounce; therefore the inland postage on an ounce of mail matter to the United States is about three times 2*d.*—that is 6*d.*—or, if we take 3½ letters to the ounce, it would be 7*d.*, but this gentleman told Mr. Frederic Hill and me that he had deducted from the gross amount of postage on these mails only 1½*d.* an ounce for the British inland rate, or only a sixth part of what he ought to have deducted; it may, as I said, turn out, that when he looks into his figures again, he will find that he misled us in some matters; but there is other evidence on this point. In the letter from the Duke of Montrose to the Commissioners of the Treasury, dated the 12th of October, and which is to be found in the Return No. 77, published to-day, this paragraph occurs: "The total amount of the subsidies, 105,000 *l.* a year, will doubtless be more than covered by the postage collected on the correspondence conveyed, which is estimated at 112,000*l.*, and although this is the whole postage, and not the sea postage only, I think that

P. Hill, Esq.
17 March 1869.

the whole may be fairly applied towards the maintenance of a mail communication of such an important character." I have explained to the Committee that one-third of the postage on international letters is the inland rate, therefore two-thirds is the sea rate, and, according to this statement of the Post Office itself, the sea postage on the whole of the mails conveyed to the United States cannot much exceed 75,000 *l.* a year.

97. With those two Returns, the one in the gross and the other in detail, we may strike out the 101,000 *l.* as illusory?—It is quite wrong.

98. The statement with reference to 75,000 *l.* is based upon correct data?—I believe it to be based upon correct data; but, at all events, that is the only result you can get from data given by the Post Office itself.

99. *Mr. Hamilton.*] In the Return you have handed in, you make the return 69,000 *l.*; you now jump up to 75,000 *l.*?—I said that estimate of 69,000 *l.* was arrived at by taking the letters at a shilling an ounce; that was a rough way of calculating it; it is the way we adopt in paying the contractors, and therefore the Post Office can hardly say it is very inaccurate; it gives the amount within about five or ten per cent.

100. You think 75,000 *l.* is about a fair estimate?—Yes; and I would point out this also, with reference to the statement that the Cunard and Inman services would be self-supporting, that if these services are to be paid for at the rate of 105,000 *l.* a year, and we only have 75,000 *l.* to meet the cost, it is obvious that there will be a loss of 30,000 *l.* per annum, even if the Cunard and Inman Companies carry the whole of the mails between England and the United States; but as the North German Lloyd's carry about one-sixth of the whole, instead of there being 75,000 *l.* or 80,000 *l.* to pay the Cunard and Inman, there will be at the outside only about 67,000 *l.* to pay them; so that the loss, if these contracts be ratified, will be nearly 40,000 *l.* a year, even if no other boats be employed than those of the four lines which are now running. The Post Office, in dealing with this matter, endeavoured to confine the service to the three lines from Queenstown; but public pressure was put upon them, and they were compelled to give a contract to the North German Lloyd's. They will, before long, I am certain, be compelled to give it to the Hamburg American Company. Every additional line of steam communication that is opened, carrying mails between this country and the United States, will take something from the postage which will be applicable to the Cunard and Inman services, and therefore the loss will be all the greater upon those services.

101. *Chairman.*] Which were the three lines to which they wished to confine their contracts?—The two Cunard lines and the Inman. At all events, if we can at present confine the services to those now under contract, it is impossible to suppose we can bind ourselves for eight years not to employ other services than the three from Queenstown.

102. *Mr. Seely.*] Can you give the Committee any information as to the rates which are paid by the United States Government for the conveyance of letters from the United States to this country?—The United States Post Office pays the Steam Packet Companies 15 cents currency per ounce, that is about 6 *d.* sterling per ounce, or just half the rate that we pay when we pay only the sea postage.

103. Then, if we pay 105,000 *l.* and receive only about from 70,000 *l.* to 75,000 *l.*, the United States would get their correspondence conveyed to this country for about one-third, in round numbers, of what we should pay?—It would be so; 1 *s.* per ounce amounts, as I say, to about 70,000 *l.*, therefore, 6 *d.* the ounce would be about 35,000 *l.*, and we are to pay three times that amount.

104. *Mr. Graves.*] May I ask you what position you occupy in the Post Office?—I am in the secretary's office; I am private secretary to Mr. Frederic Hill.

105. May the Committee understand that the views which you have to-day expressed are the views entertained by the Post Office at present?—They are the views entertained by Mr. Frederic Hill, who had for a long time the management of the packet service in his hands, and who, as my official superior, instructed me to assist him in investigating this case. He is strongly opposed to these contracts. The opinion of the Postmaster General and of the other secretaries would probably be best obtained by inviting them to give evidence; I simply give you facts, the conclusion to be drawn from those facts the Committee itself can easily arrive at.

106. Then

294

P. Hill, Esq.
17 March 1869.

106. Then there is a difference of opinion existing between the secretaries at the Post Office upon the subject of these contracts?—A very strong difference of opinion.

107. You say you are in the secretary's office; Mr. Tilley is the secretary, is he not?—Yes; Mr. Tilley is the secretary.

108. Did Mr. Tilley in any way remonstrate against the acceptance of these contracts, or did he approve of them?—I believe he approved of them entirely.

109. By these papers, I perceive that tenders were advertised for in September, upon the principle of an ocean postage?—They were so.

110. Will you tell the Committee what the response was to that advertisement for tenders?—The Post Office had no tender whatever in the exact form that they wanted.

111. Can you enumerate the tenders, and specify the difference between them?—The Hamburg American Company and the North German Lloyd's tendered.

112. I see that they are distinct tenders, perhaps you will take them differently?—Yes.

113. Be good enough to go on with the distinction, if you can?—I can only state the general distinction between them. I say that the Post Office had no tender in the exact form they wanted. The two German companies wished to call at Southampton. The Cunard and Inman Companies refused to accept the sea postage; they stipulated for a fixed payment, and refused to be bound to any time whatever for the voyage, or to any penalties whatever if they delayed the voyage to any extent.

114. Did the Hamburg American Steam Packet Company make any exception as regards months in their tender?—They did.

115. Which months were they?—In the winter months they were not prepared to perform the double service unless they received higher payment.

116. What was that higher payment?—I believe it was about 12,000 *l.* a-year, speaking from recollection.

117. Was that for a weekly or fortnightly service?—I can again only speak from recollection, for these matters are not in my department.

118. Mr. *Hamilton.*] Who is at the head of the contract department?—Mr. William Page, one of the assistant under secretaries. Perhaps it may be practicable to explain to the Committee how it was, in all probability, that the Post Office got no tender in the form they wanted.

119. Mr. *Seely.*] Would not Mr. Frederick Hill bring that out when he is called?—I daresay he would.

120. Mr. *Graves.*] Who is the gentleman who has the immediate superintendence of these tenders?—Mr. Tilley. I should like to explain, if the Committee have no objection, a circumstance which in all probability shows how it was that the Post Office got no tender in the form they wanted.

121. *Chairman.*] You had nothing to do with the issue of these tenders, had you?—I had nothing to do with the issue of them.

122. And nothing to do with the receipt of them?—Nothing whatever.

123. Mr. *Graves.*] You have taken exception, apparently, to the Returns which have been made by the Receiver and Accountant General with regard to the postage revenue?—I have compared one of his statements with another, and shown that they do not agree.

124. Is this officer an official connected with the Post Office?—He is; he is the officer in whose department it is to prepare these returns.

125. And we can have the pleasure of examining him, I presume?—I presume so.

126. From what large centres of population in this country is the bulk of the correspondence with the United States carried on; I mean in what towns does it originate?—I have prepared no information of that kind; and I should have some difficulty in getting it; I believe it is the fact that the letters for London form a very large proportion of the whole, and I presume that the letters for London, Liverpool and Manchester, and the manufacturing districts, would form the very large mass of the mail. The Irish letters, also, are considerable; these are probably from the families of emigrants.

127. You have alluded to London, Liverpool, and Manchester?—Yes.

128. Do you consider that Glasgow has a large share in the correspondence?—Undoubtedly.

129. Do you consider that Birmingham also has a large share?—Undoubtedly;

P. Hill, Esq.
17 March 1869.

doubtedly ; I am merely giving general opinions upon this point ; I have no returns.

130. Would you consider that Leeds has any large share of the correspondence?—Leeds is a large town, and I presume has large correspondence with America, but I know nothing of the facts about it.

131. Belfast also, I presume, you would consider has some large share in the Irish portion of the correspondence?—I have no doubt it has ; I have no evidence of the fact.

132. Would it not be possible for us to have a Return showing the precise time that the correspondence from these large towns took to reach New York from post office to post office, and the same back again from New York to those large towns, *vid* Southampton and *vid* Queenstown?—It is, undoubtedly, practicable for the Committee to call for that Return.

133. What I want is the number of days and hours that the bulk of our correspondence takes to go from post offices in England to post offices in New York, and the same returning *vid* Southampton and *vid* Queenstown. Then we shall get at a glance the actual time occupied, and see whether any one route has a preference or advantage over the other?—But it would depend very much on how that Return was prepared for you ; whether it would show the facts as they ought to be shown. I will give an example : I will take the case of Belfast ; the night mail from Belfast leaves about half-past nine ; a letter posted by it will catch the mail leaving Queenstown next day ; but supposing a letter is posted at the same time to go *vid* Southampton it will not reach Southampton till about 24 hours afterwards ; therefore it would appear that the time occupied by a letter going from Belfast to Southampton is 24 hours longer than that occupied by a letter going from Belfast to Queenstown ; but there is a mid-day mail that leaves Belfast at 2.55 in the afternoon ; and if a letter from Belfast is posted to catch that mail it suffers no delay by being sent to Southampton. Now, a Return made upon the first plan I stated, would show that there is a delay of 24 hours, whereas the real facts are these, that a letter need be posted only about six hours and a half earlier to go *vid* Southampton.

134. There would be no difficulty in getting such a Return as I desire to have, would there?—There would be no difficulty in getting such a Return, if it were exactly explained what was the precise form in which the Committee desired it to be made out.

135. *Chairman.*] I understand the honourable Member to wish for a Return of the shortest time that it would take a letter to go from Belfast to New York *vid* Queenstown and the same *vid* Southampton, as the mails arrive?—Yes. Then again a very important question would be, what time you propose to allow for the sea service. If you take the distance as so many nautical miles from one port to the other, and make the calculation on the assumption that the vessels run 12 knots an hour, it would be misleading, because the quicker vessels go from Southampton.

136. *Mr. Graves.*] I am afraid I did not make myself intelligible to you. You are now able to tell what time a letter leaves Belfast, and arrives in London?—Yes.

137. And you are also able to tell what time a letter leaves Glasgow, and arrives in London?—Yes.

138. What I desire to have is a simple Return as to the time when those mails leave those large towns and arrive in New York, and *vice versa*?—Yes.

139. Taking some months together, say 12 months, which would enable us to see in practice the simple facts of the times of arrival and departure without any of these questions of intermediate mails or sea tariff?—Yes. Would it not be better to confine it to the present year, because this year is the only time that we have had both the Cunard and Inman lines running without a penalty for delay ; and therefore this only year gives an indication of how the contracts would be performed, if confirmed. You ought not to take the working of a line under penalties as evidence of how the service would be performed when it was not under penalties.

140. I think you have given the average of the sea passages between Southampton and New York, and between Queenstown and New York?—Yes.

141. The average, I think, you make out to be, for the "North German Lloyd's,"

Lloyd's," 12 days 12 hours, and the average of the whole of the Cunard and Inman passages, from Queenstown, 12 days 9 hours?—About that, disregarding minutes.

142. Have you any comparison or contrast of any passages from this country to America, made by any other company during those months?—I have not made any comparison such as you describe.

143. May I ask, why do you designate one portion of the service performed by Messrs. Cunard as a cargo service?—The boats are popularly known as the cargo boats, at least so I have heard, and I show that they are slow; it does not much matter what they are called, I think.

144. Are you aware of any other line being as fast as that running across the Atlantic besides those which you have enumerated?—The Hamburg American Company's boats are certainly faster than the average of the Cunard boats, fast and slow, and I believe they run the Cunard fast boats very hard.

145. Can you specify the names of those Cunard boats which you consider so slow?—I will give the names and the voyages of these cargo boats, if the Committee desire it; I had better give the vessels in order; I find that the "Tripoli," leaving Queenstown the 6th of January, performed the passage in about 12 days and one hour.

146. Are you giving all the Tuesday's boats?—Yes; I am giving all the cargo boats in succession. The "Tripoli" performed that voyage in about 12 days one hour by the Post Office table. I should state that this table is wrong to the extent of about four hours, because nothing has been allowed for the difference of longitude, but of course that would tell equally against the Southampton boats; therefore we may disregard it in the comparison. The first cargo boat made the voyage in 12 days; it was overtaken by the Inman's boat, which did it in about 10.

147. Are you naming the vessels?—Yes; the "Tripoli" was 12 days.

148. *Chairman.*] Give us the vessels and the time of their passages, that is what the honourable Member has asked you for?—This table gives them.

149. *Mr. Talbot.*] Do you say that some are worse than others?—Yes, certainly. The "Tripoli," leaving Queenstown on the 6th of January, performed the passage in 12 days; the "Palmyra," leaving on the 13th, took 14 days 23 hours, that is about 15 days for the voyage. The "Hecla," leaving on the 20th, took 15 days 16 hours, that is nearly 16 days. The "Siberia," leaving on 27th, did it in 11 days 18 hours. The "Aleppo," leaving on the 3rd of February, occupied 12 days 22½ hours, or about 13 days. I must now refer to my paper, where I have obtained the arrivals from the telegraphic information, as the Post Office table stops there. The "Tarifa," leaving on the 10th of February, reached Boston on the 24th, that was 14 days. Then comes the "Java," a quick boat that was put on, but we must not take her voyage as we are talking of cargo boats.

150. *Mr. Graves.*] We will take that, if you please, as we are talking of the Tuesday boats?—The "Java", one of the quick line, leaving on the 17th of February, reached Boston on the 27th, that is about 10 days, overtaking the Cunard vessel which left Queenstown the previous Sunday; and the "Tripoli," which left on the 24th of February, reached Boston on the 10th of March; that would be 14 days.

151. I think you have said that the North German Lloyd's carry about one-sixth of the correspondence with the United States?—The table of the Receiver and Accountant General shows that they do.

152. That is the boat sailing on the Tuesday?—Sailing on the Tuesday.

153. Supposing that there was an equally efficient vessel sailing from Queenstown on the Wednesday, would there be any great advantage in continuing that service from Southampton on the Tuesday?—Probably there would not be much advantage, but I have not considered the matter sufficiently—the question being put to me now for the first time—to be able to say whether some portions of the United Kingdom would not gain. London would obviously gain twelve hours by the continuance of Tuesday's line from Southampton.

154. Perhaps you would answer, as a matter of fact, whether the Treasury instructed the Post Office to terminate that Tuesday sailing of the North German Lloyd's line or not?—An instruction of that kind did come from the Treasury; and I know also that, in preparing the Packet Estimates for this next

P. Hill, Esq.
17 March 1869.

year, only a portion of the annual payment to the North German Lloyd's line has been included, because it is expected that their services will be discontinued.

155. Can you tell me whether these instructions were sent by the late Government or by the present Government?—They were sent by the present Government, on the ground that the whole postage was taken up for the other lines.

156. *Chairman.*] Are you aware, from your personal knowledge, what are the existing contracts?—I have seen all the existing contracts; possibly I can answer any question with regard to them that you desire; they are all published.

157. *Mr. Hamilton.*] What contracts are there now between the Post Office and owners of steam vessels for the conveyance of mails to the United States?—There is a contract terminable at six months' notice with the North German Lloyd's, and there is another contract with Messrs. Cunard for two services from Queenstown, and one with Mr. Inman, almost identical in terms with Cunard's, for one service a week from Queenstown. Those contracts are now on the table of the House, awaiting confirmation; those are the only ones.

158. What are the terms of them?—The North German Lloyd's line is to be paid the sea postage upon the letters conveyed; Messrs. Cunard are to receive 35,000 *l.* for each service, that is, 70,000 *l.* for the two services; Mr. Inman is to receive 35,000 *l.* for the one service. I may mention, for the sake of comparison, though I have stated it before, that the North German Lloyd's gets about 12,000 *l.*, that is to say, about one-third of the payment that is to be given to these other companies for the service.

159. You say that Messrs. Cunard receive only 70,000 *l.*?—£.70,000.

160. In the printed contract, it appears at page 16, section 29, that they would receive 80,000 *l.*?—That is the temporary contract for the year 1868.

161. It is not a contract now in existence, then?—It is not a contract now in existence; it terminated at the end of last year.

162. Is there any condition in the existing contract that they should pay back to the Postmaster General anything they receive for home sea postage?—No; anything they can get from the United States for sea postage on the homeward mails they are to keep for themselves.

163. Over and above the 70,000 *l.*?—They are to keep that for themselves, over and above the 70,000 *l.*

164. With regard to this estimate that you gave us of 75,000 *l.*, as the actual amount of sea postage, is that sea postage out and in, or merely one way?—That is merely one way; Messrs. Cunard receive about 9,000 *l.* inwards; their total earnings under the head of sea postage last year were under 40,000 *l.*, so that that contract entailed a loss of 40,000 *l.* a year upon the Government.

165. Are you able to answer this question; is it your opinion that the postal services with New York would be less frequent or less punctual if subsidies were not paid?—I do not think that they would, because in the contracts awaiting confirmation by the House of Commons, Messrs. Cunard and Mr. Inman are not bound to any time; they give us nothing whatever that we could not compel them to give by law, if we put the mails on board and gave them only a penny per letter for carrying them, except their touching at Queenstown, and their punctual departures from Liverpool; with those exceptions we get no additional advantage by our payment of subsidies instead of the ship letter postage of one penny per letter; with regard to those exceptions, I am informed that all the steam packet companies leaving Liverpool do stop regularly at Queenstown, or that the majority of them certainly touch at Queenstown for their own purposes; so that in all probability, by paying Messrs. Cunard a penny a letter only, we should get just as good a service as we shall get now, when we are to pay them about six times that sum.

166. Therefore it is your opinion that the commercial public would suffer no inconvenience from the discontinuance of subsidies for carrying letters from England to the United States?—I am certain that they would very much gain by it; as long as a fixed subsidy is given, the Steam Packet Companies have no object in performing the service in a quicker time, except the usual rivalry between the companies, and the desire that they always have to get rid of their passengers as soon as possible, so as to save the cost of their maintenance; but when the payment is made dependent upon the number of letters conveyed, each company desires that it should have a reputation for speed, because the public will then send their letters by it; and the mails, even at a penny a letter,
pay

P. Hill, Esq.
17 March 1869.

pay so much better than any other freight you can put on board, that the companies are eager to get them, unless they believe that by negotiation they can get better terms.

167. Mr. *Greaves*.] During the time that the conditions of the proposed contract were discussed, was there a temporary arrangement or contract made last year?—There was a temporary contract made with Messrs. Cunard for 1863.

168. And that expired at the end of 1868, did it?—It expired at the end of 1868.

169. Upon what terms is the service performed now?—The service is now performed under the contract which is awaiting confirmation.

170. Under the new contract awaiting confirmation?—Yes.

171. That contract is in practical operation, is it?—It is in practical operation.

172. *Chairman*.] Did the operation of that contract then commence on the 1st of January?—It commenced on the 1st of January.

173. Mr. *Seely*.] You have stated that there is no penalty inflicted on Messrs. Cunard if they are beyond the usual time on the voyage; is there any penalty inflicted for overtime on the North German Lloyd's Company?—They forfeit one-eighth part of the subsidy for every 12 hours that the voyage exceeds the prescribed limit, the maximum fine being the whole payment for the particular trip.

174. By "subsidy" you mean the payment they would have received for the letters conveyed by them?—I do.

175. *Chairman*.] Are they on so much worse terms as compared with the Cunard and Inman lines?—They are on far worse terms.

176. Their contract is not for a term of years, but terminable at six months' notice, as I understand?—That is the case.

177. The contracts with the two Liverpool lines are for seven years?—They are for eight years.

178. Eight years certain?—They are for eight years certain.

179. You have nothing to do with the stipulations that there may be in respect of the use of the ships for other purposes?—No; I asked a shipowner the other day, one of the managers of the Hamburg American Company, whether there was any stipulation in these contracts that throws additional expense upon the companies, and he said, "No, there are none; we simply have to set aside a certain space in the vessel"; and they would be glad enough to set aside that space for cargo that paid so highly as the mails do.

180. In these contracts is there any stipulation as to the conveyance of troops and officers; perhaps there may not be in these new contracts?—I have not looked to that point; I forgot that point when I gave my last answer.

181. There were such stipulations in the older contracts?—I have not looked to see.

182. Mr. *Graves*.] May I ask you the number of hours that the North German Lloyd's have stipulated for with respect to the time between the 1st of November and the 31st of March, before penalties can attach?—Three hundred hours.

183. That is 15 days?—I think not.

184. How many days?—That would be 12½ days.

185. And the Hamburg line, can you tell us what they demanded?—The Hamburg American Company demanded 312 hours, that would be 13 days.

186. *Chairman*.] It is an important matter, is it not, that there should be fixed days for the postal service, on which the mails are to leave?—It is important.

187. And you believe that without the assistance of subsidies you could guarantee that the steamboat companies would run boats leaving on certain days to take the mails?—I think so. I may mention with reference to that matter, that the Post Office, as will be gathered from the correspondence, desired that the day of departure from Queenstown should be Tuesday, not Wednesday, but that they have fixed Wednesday (I have reason to believe) to suit Messrs. Cunard; therefore the times that are fixed are not the days which are convenient to the Post Office, but the days which are convenient to Messrs. Cunard and Company.

188. But the North German Lloyd's Company "urge that although a vessel may not leave Southampton at the appointed time, if the letters are delivered at New York within the stipulated time, no penalty should be payable;" might not that cause irregularity?—It would cause no harm at all, that I can see. Suppose

P. Hill, Esq.
17 March 1869.

the mails got down to the Southampton post office at the proper time, and are all ready to go on board the packet, and the packet happens to be a day late, they simply have to remain in the post office instead of being in the hold of the ship. If they reach New York at the time appointed, there is no delay to the correspondence; the letters will merely have been rather longer on land, and a less time on the water, than was expected. I may mention, with regard to Messrs. Cunard's old contract, that there is a clause in it, if I recollect rightly, which says that they shall not be fined for delay in starting, if the delay does not exceed 12 hours. Therefore a margin of delay is now allowed, or rather was allowed, in Messrs. Cunard's old contract.

189. Will you hand in those papers you have shown us?—I will. (*The same were handed in.*)

Vide Appendix.

[The Witness withdrew.]

Thomas Wallis, Esq. called in; and Examined.

T. Wallis, Esq.

190. Mr. *Seely*.] ARE you the agent for the North German Lloyd's Company, at Southampton?—I am one of the firm who represent the company there. I am not their sole agent.

191. How many steamers have you running to New York?—Eleven.

192. Can you give us the tonnage of them?—The tonnage would be about 2,500 tons each.

193. And the horse-power?—About 600 tons nominal horse-power.

194. Where were they built?—They were all built on the Clyde by Messrs. Caird & Co., who received from the North German Lloyd's Company very nearly a million and a half sterling for their entire fleet, the whole of which were built by Messrs. Caird & Company.

195. Can you give the Committee the speed of those vessels?—I can give it against each name. I have here Messrs. Caird & Co.'s statement of their speed. The "Bremen," "New York," "Hansa," "America," and "Hermann," 13½ knots an hour.

196. From what paper are you quoting?—From the builder's own statement.

197. He gives the speed at what, at the measured mile?—At the trial trips, before the vessels were handed over to the proprietors, the "Deutschland," the "Union," and the "Weser," 14 knots an hour, and the "Rhine," the "Main," and "Donau," 14½ knots, carrying a load of from 1,400 to 1,500 tons.

198. Had they a full cargo on board; had they full weight when they were tried?—I am not prepared to say that it was a cargo of general merchandise, because it could not be that; but it was a cargo of coals and ballast, and things which are ordinarily used at the trial trips to see how the vessels will go.

199. Was the weight about equal to what they would usually have on board in their passages?—About that. They carry from 900 to 1,000 tons of coal for their use on the voyage, and if they had that amount of coals on board, a cargo of ordinary merchandise would not weigh more than from 500 to 600 tons. The time when they would have from 500 to 600 tons of general merchandise on board would be when they were fully laden: they had not that on board when the trial trips were made, but it was made up to that, so that the approximate draught may be taken.

200. *Chairman*.] I understood you that they were weighted with ballast, and other things, to make such a weight as would be equivalent to a cargo?—Yes. They attained these rates of speed on their trial trips, actually carrying a load of from 1,400 to 1,500 tons.

201. Mr. *Seely*.] Are you building any new vessels?—Not at present. We have just completed three. Within the last six months we have had three vessels handed over to the company from Messrs. Caird.

202. Did you build any in the year preceding?—Probably if I were to give the names and dates of the vessels throughout, it would be a complete answer to that question. We had two in 1858; one in 1861; one in 1863; one in 1865; one in 1866; two in 1867; two in 1868, and one delivered this present year 1869.

203. The

T. Wallis, Esq.

17 March 1869.

203. Then you do not wait for a subsidy before you begin to build vessels? —Not at all; we have none to wait for.

204. Have you sold any steamers?—We (I am speaking for the North German Lloyd's), the Company, sold a vessel last year to the Royal Mail Steam Packet Company, a well-known English company, whose offices are in Moor-gate-street, and who were very badly pushed for a vessel at the time, having lost several by the hurricane at Saint Thomas's, in the preceding year; we sold a vessel to them called the "Rhine," of which the hull was then complete; she is now called the "Neva."

205. Are you aware whether Messrs. Cunard are now building any vessels? —I am not aware that they are; I am not aware that they are not.

206. Can you give the Committee a comparative statement of the performances of your vessels, as compared with Messrs. Cunard's vessels, which sail on the Wednesday, from Liverpool?—You mean, I presume, during the present year, and last year; we published, this year, in "Mitchell's Shipping Journal," for the 15th of January, a statement of our trips to the westward, and also to the eastward, for last year; I have not a copy of it by me, but I could get one.

207. What I want is the average?—The average of our passages is 11 days 12 hours.

208. From Southampton?—From lighthouse to lighthouse; that is, when the vessels are fairly under weigh.

209. From what point is that?—From the lighthouse at the Needles to Sandy Hook Lighthouse.

210. *Chairman.*] What did you say the average from the Needles to Sandy Hook, last year, on all your vessels was?—11 days 12 hours.

211. *Mr. Seely.*] Do you know what the average has been this year?—I have not worked that out; I fancy I have it by me.

212. *Mr. Hamilton.*] Can you give it from wharf to wharf?—That would be impossible, there are so many delays in leaving the wharf; sometimes we get away from the wharf in 20 minutes; sometimes we are detained there an hour or two: it depends upon the number of vessels lying at the wharf when we get away. We have sometimes to leave the docks early in the morning in order to be able to take in the mails in the river; at other times we leave in the middle of the day; it depends entirely upon the time of the tide.

213. *Mr. Seely.*] Supposing the mails were refused to your line on the Tuesday, what would be the effect?—You mean, I suppose, what would be the effect upon the public service if we did not carry them on the Tuesday? In my opinion it would be a very great loss; I have a note here which would prove that fact. Our steamer, the "Main," one of the latest contracted for, one delivered towards the end of last year, started from Southampton on the 9th of February; she was detained several hours there by a furious hurricane, which prevented her leaving the place, and the Royal Mail steamer was also detained till late at night from the same occurrence. Owing to that gale the Continental mails could not get across to London in time for that vessel, the "Main." They were consequently forwarded by the "Tarifa," which left Queenstown under the new contract on the Wednesday, or Liverpool on the same day as the "Main" left Southampton (that is the real fact), the 9th of February. The "Tarifa" arrived at New York on the 25th of February (three days later than the "Main," and the "City of Antwerp," the Inman steamer which left Liverpool a day later than the "Tarifa," arrived at New York on the 24th of February, nearly 24 hours earlier than the "Tarifa," so that these mails were detained twice; first they missed one vessel, and secondly, by going by the new line of cargo steamers, introduced as mail packets, they were delayed 24 hours longer, because, had they been kept 24 hours at Liverpool waiting for the "City of Antwerp," they would have reached New York 24 hours earlier than they did. Among the mails which missed the "Main" and were detained, were some Continental mails, and there has been a complaint about it at New York. I have here a letter (*producing a letter*) from our correspondents in New York, in which they state that the shippers of goods were much inconvenienced, and that a cargo could not be entered at the Custom House, thereby causing much annoyance and loss by the non-delivery, and they have complained to the Post Office at New York on that account. They have complained that the mail did not go by the "City of Antwerp" instead of by the "Tarifa." I will read a passage from their letter to us, which is dated the 27th of February: "We beg

T. Wallis, Esq.
17 March 1869.

to draw your attention to the fact that the Continental mail intended for the 'Main,' which must have missed that ship, has, under the new arrangement of your Post Office with the Cunard Company, been sent by steamer 'Tarifa,' and arrived here on Thursday, nearly 24 hours behind the 'City of Antwerp.' The consignees per 'Main,' who mostly receive their Bremen bills of lading by that mail, were thus subjected to great inconvenience and expense, not having been able to enter their goods before the vessel discharged. We have drawn the attention of our Post Office department to this result of the arrangements made on your side." I may say that when this letter was written, there was no idea that any question would be raised about the mails. It is simply an ordinary communication to us in the course of business; I may add that if the North German Lloyd's are not to carry the mails, this would happen, in my opinion, every week.

214. If you carried no mails, would it still be necessary for you to start regularly?—It would be necessary, as far as our engagements with the mercantile public are concerned, and we are as desirous of maintaining our time with them as we are with the Post Office, and we always have done so.

215. It would be your interest to start regularly in order to obtain as many passengers as possible?—It would be our interest to start regularly, in order to maintain the confidence we have from the travelling and shipping public. This line has been in existence 11 years, and I do not believe there can be any complaints adduced as to our non-punctuality in departure.

216. If you had no mails to carry, should you attempt to perform your voyages as quickly as possible?—Certainly; we should have an interest in doing so, because the sooner you get to your destination the sooner you get rid of the expense of keeping a number of passengers; and, moreover, passengers in these days look out for the quickest vessel. Our reputation is at stake with regard to passengers. We should therefore have to travel as quickly whether we had the mails or not, that would not make any difference.

217. Are you put to any extra expense in consequence of carrying the mails, beyond what you would be put to in the carrying of an equal weight of goods of a similar description?—I think not. No, I cannot say that we are put to any additional expense by being a mail packet company. We may, perhaps, hurry our vessel away an hour or two earlier, and that may cause us a little inconvenience occasionally, but I do not think I can say that it is attended with any extra expense.

218. You are not obliged to keep a large space unoccupied in your vessel in consequence of carrying the mails?—No.

219. Do you conceive that there is any advantage gained by the prestige you have in carrying the mails?—We do; our company attach very considerable importance to the honour of carrying the British mail. It is a point of honour with them to endeavour to carry it.

220. And do you conceive that the shipowners generally are exposed to a disadvantage in consequence of particular firms having large fixed subsidies?—I should think it would be detrimental, because others running in the same trade, having no fixed subsidy, are running with much smaller amounts at their command; they have a less income, and they are less able to make reductions in freights or passage-money, as the case may be, and things of that kind.

221. Is there any probability that the subsidised companies are able to underquote your rates of freight in consequence of having a fixed subsidy?—Whether the fact of their having a large mail subsidy, or having had a larger mail subsidy than they have now, has anything to do with this fact or not, I cannot say; but it is an established fact that Messrs. Cunard have kept cutting down the freight very low from Havre for years. Sometimes they have been taking goods from Havre to New York for 20 *s.* a ton measurement. The expenses of getting the goods from Havre to Liverpool cannot be less than half that money; and, as everybody interested in shipping must know, 10 *s.* a ton from Liverpool to New York is not only not a paying, but it must be a losing game. It must be the subsidy which has enabled them to do it during so many years.

222. Are you aware whether vessels going from Liverpool to New York sustain any loss by calling at Queenstown?—I can scarcely speak much upon that point; my nautical experience is not very great, but looking at the chart, I should fancy not a great deal, perhaps an hour or two; I do not know how long
it

it takes to go into Queenstown Harbour from the clear track, that is the only thing; I could not speak positively upon that.

223. Can you state what is the rate per ton upon goods similar to these mail-packet bags?—There are no goods that could be compared to the mail bags, that I can see.

224. What is your rate per ton upon goods generally?—It varies from 60 *s.* a ton downwards.

225. To what?—It is not higher than 60 *s.*; it has been 100 *s.*; but those days, owing to competition, are gone by.

226. What is the highest rate, then, now?—The highest rate is 60 *s.*

227. Going down to as low as what?—As low as 40 *s.*; the rate depends upon the amount of competition at the time, and the amount of freight offering.

228. Are you aware what weight of letters there are in a ton of 40 cubic feet?—I have no idea at all; it is a calculation I have never attempted to go into; I could not give any idea at all.

229. Mr. *Graves.*] Yours is a weekly line, is it not?—It is a weekly line; it runs every Tuesday.

230. Do you carry mails for any foreign Governments?—We carry mails for the North German Confederation, or the Berlin Government, it is for the Berlin Post Office that we carry.

231. Under a system of subsidy?—No, it is done by postage.

232. Can you tell me what is the ocean postage?—I have no idea; we are only agents for the company in England; I can only speak to their affairs in England.

233. Is there any way in which the Committee could get the information; could you get it for the Committee?—I am not prepared to say that I could do that.

234. Could you get the information?—I am not certain whether I could get it; I do not know whether they would give it.

235. Mr. *Seely.*] Would you ask whether they would furnish it to the Committee or not?—I cannot undertake to say whether they will or not.

236. Will you ascertain for the information of the Committee whether they will inform the Committee what is the ocean postage they receive for the conveyance of the mails?—I will endeavour to ascertain it; it would of course depend upon the amount of letters they carry. It is on precisely the same principle as that on which we are carrying from England to the United States.

237. *Chairman.*] What we wish to have is not the amount, but the rate?—I do not think there would be so much objection to that; that is another matter.

238. We wish to know the rate per ounce?—I can get that.

239. Mr. *Graves.*] Your vessels are built at Glasgow, are they not?—They are built in Greenock, by Messrs. Caird.

240. Are your vessels during building subject to any kind of survey; are they subject to any Admiralty survey?—It is not necessary. At the time we built our vessels we did not expect to have anything to do with the English Government, which would bring us under survey.

241. Can you say whether the vessels built for the British mail service are surveyed by the English Government officials?—I believe they are by the law to that effect; but whether that is an advantageous provision of the law, I cannot say.

242. Your vessels are exempt from all survey of every kind?—I should think there is not any great advantage attached to a survey by English surveyors; in fact, the “*Neva*” being built for a foreign company, was sold to the Royal Mail Company, and is now carrying the mails under contract with her Majesty’s Government. I apprehend if it were necessary for them to come under survey, there would be no reason why they should not do so.

243. Are you able to give any information to the Committee as to whether your specifications are lighter or heavier than those built for the British Mail service?—No, I cannot say; it is a matter between the company and the builder.

244. What is the stipulated ocean-rate for postage on all correspondence carried by your vessels; I refer to your present running contract?—Do you mean the contract with the British Government?

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245. Yes?

T. Wallis, Esq.
17 March 1869.

245. Yes?—It is called the ocean postage; we are to have so much per ounce.

246. Should you think you had a ground of complaint if the British Government decided upon lowering the postage from the rate they now allow you to one-half the price?—I can scarcely give an answer to that; it would require some consideration. If our mails doubled, and we had to carry double the amount, I do not suppose we should object to carry double the bulk at the same money. We think the speed of our vessels would create a reputation for them; I have no doubt it would ultimately end in that. As we increase the bulk of correspondence carried, we should probably agree to some reduction. I am not prepared to say what, but they would probably not object to carry a larger portion of the mails for the sum of 12,000*l.* I am not prepared to say they would not do anything of the kind, but as the bulk increased, I think they would consent to some reduction in the amount of pay.

247. *Mr. Hamilton.*] You said that it adds to the prestige of a company to have the honour of carrying the British mails; you think it a substantial advantage irrespective of the actual amount paid?—I cannot say anything about its being a substantial advantage.

248. A desired advantage?—Many people look to these things for the honour, and so forth. What I said about the honour must be taken as meaning the honour itself, without any other meaning behind it; many people will do a thing for the honour alone; I do not say that if the mails were offered to us to be carried for nothing, that for the honour we should carry them; the terms upon which we now carry were the terms offered to us by the Post Office 12 months ago; we accepted their offer, and we asked that the terms they originally proposed should be continued; and, in addition to that, we consider it an honour to carry her Majesty's mails.

249. Have you any reason for supposing that if you had nothing but what has been called by the authorities at the Post Office the sea postage, which is less than that you have received, that your service would be less punctual or less speedy than it is now?—I do not think it would be any less punctual or less speedy than it is now; if they undertook to carry the mails at all, they would carry them with the same attention, punctuality, and speed as they now carry them.

250. Has not the Postmaster the power of placing boxes of letters upon your ships?—I believe not, unless we are under a contract with him; I cannot say that he cannot put ship-letter mails on board; but I think it is doubtful whether he can or not.

251. That is merely because it is a foreign company?—Yes; I do not think he could do it, unless it was a matter of arrangement between us; I fancy if we chose to carry the mail, the Postmaster would be obliged to give us any letters addressed to us.

252. You are aware that he has the power in reference to English vessels?—With English vessels I believe he has; I am not certain; I have not had any reason for informing myself positively upon the matter.

253. You gave the Committee to understand that if the terms were such as to induce you to carry the mails at all, the service would not be conducted with less speed or punctuality than it is now?—No.

254. Even though the terms were reduced?—No; if they accepted the terms, be they more or less, even if it were 1*d.* a letter, the service rendered would be precisely the service rendered now.

255. *Chairman.*] You are at present carrying the mails under contract with the Government?—Yes.

256. Have you had notice of a termination of that contract?—We have not had notice; I see by the paper that it was intended to give us that notice, but it has been held in abeyance.

257. Your tender was made, not for a subsidy, but for a certain rate for carrying the letters?—Yes, in accordance with the invitation on the form of tender; last year, in 1868, when the tenders were issued, it was distinctly stated that tenders sent in precisely in the form issued by the Post Office would secure more attention than those with any alteration; upon that our directors sent the tender in expressly as it was printed, without making any alteration whatever; and they were somewhat surprised to find afterwards that
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30^dT. Wallis, Esq.
17 March 1869.

large subsidies had been given to Messrs. Cunard, and different times and length of voyage given to Mr. Inman ; those parties who tendered upon different terms had therefore better terms than those who did not alter the form.

258. In the tender which you sent in, did not you tender for any particular period of time?—I am referring to the first invitation we ever had for the temporary service, as it has been termed.

259. You worked the temporary service last year?—Yes.

260. Are you working on the terms of that temporary service now?—No; that contract came to an end on the 31st of December, simultaneously with that of Cunard and Inman.

261. You are now working in accordance with the terms of the second tender which you made last year, commencing with the 1st of January this year?—Yes.

262. That was the tender with regard to which you had notice that tenders sent in that particular form would have the preference?—No; we had that notice about the tender of 1867 for 1868.

263. It was sent out the 30th of July 1868?—The same thing occurred in the tender before; the only alteration that we made, on finding that others had made alterations the year before, was that we asked for 24 hours longer during certain winter months.

264. Are the terms of 1 s. per ounce for letters the terms suggested to you by the Post Office originally?—Yes.

265. Supposing the Post Office thought right to lower the postage to America, that would be matter for a further contract?—I suppose so; that is a question for the Post Office law officers, I should imagine; if our company felt inclined to agree to a reduction in the postage, I do not think that they, on their part, would insist upon six months' notice to cancel the present contract, to go through the form of making a new contract.

266. Supposing your contract for three years be terminable at six months' notice, if the Government thought of making an alteration in the foreign postage, they could terminate your contract and advertise for fresh tenders?—Yes; our contract is not for three years, therefore I could not have understood the question in this light.

267. You carry the foreign mails, I understand, to America?—Yes; we carry the Berlin mail, the German mail.

268. You are paid for the German mail so much per ounce for letters, are you not; or do you receive from them a sum of money as a subsidy?—Not as a subsidy; but so much according to the number of letters which we carry: so much per ounce.

269. Do you carry them on the same conditions, as regards payment, as those on which you are carrying the English mails; I do not say the same rate per ounce, but on the same conditions?—No; we are not bound to time; we are under no penalties; those stringent clauses which are in the English contracts are not contained in the German contracts, the reputation of the vessels being considered sufficient.

270. I was not speaking of penalties as to time; I want it to be clearly understood that you are paid according to the quantity of letters you carry?—Yes, letters and papers.

271. As I understand, you are under certain penalties and disadvantages, as compared with the Cunard Company, in respect of time, are you not; I mean with regard to the English contract?—Yes, we are bound to time; the Cunard Company is not.

272. With respect to the survey of the vessel, I presume that would have something to do with the stipulation in the English contract, that vessels may be bought or hired in time of war?—It is not in our contract. It was never suggested to us by the other contracting parties, the Post Office, that such a clause would be put in.

273. I ask whether the survey has not some connection with that clause in the contract; Mr. Graves asked you whether your vessels were not subject to some restrictions which the British vessels were not restricted to?—Mr. Graves does not mean to say that British mail steamers are subject to any particular survey because they carry mails. I am not aware that a vessel must undergo any particular survey because she carries English mails. I believe it is simply a survey which she has to undergo before she gets the Board of Trade certificate.

274. It is desirable that it should be brought out whether Messrs. Cunard's

T. Wallis, Esq.
17 March 1869.

vessels are subject to survey because they carry the mails?—They are not; but because they are British steamers, and whether they carried the mails or not, they would still be subject to the same survey. It depends on the nature of the contract; for some English contracts the vessels are surveyed, for others they are not. Mr. Inman's vessels, last year, when they took the ocean postage, did not come under the admiralty survey; having passed the Board of Trade surveyors, that was considered enough. Whether they carried the mails or not, they must pass the Board of Trade survey.

275. I understand Mr. Graves' question to be that Messrs. Cunard's vessels were weighted as against you, because they had to undergo the Admiralty survey on account of their carrying the mails?—It may have been so in past times with vessels constructed for Messrs. Cunard under the old contract, which expired in 1867.

276. As far as you are aware, under the present contracts Messrs. Cunard's and Mr. Inman's steamers have not to undergo any admiralty survey?—Not those constructed since the 1st of January last year.

277. Messrs. Cunard and Mr. Inman are under no penalties, are they, for exceeding their time?—Not by their present contract.

278. But you are?—We are.

279. Mr. Seely.] If you were to carry no mails, would you build a different kind of vessel?—We should build precisely the same vessels whether we carried the mails or not; carrying mails has always been a matter of speculation; we carried for the American Government for many years, and the vessels were not built for carrying mails.

280. If you were certain that you would carry the mails you would build the same class of vessel as if you were certain you would not carry the mails?—Yes; and I cannot give you a better proof of that than by referring to the vessel "Neva," which we sold, and which is carrying the English mails, and is found very suitable for the work; it is the fastest vessel in her trade.

281. Mr. Hamilton.] Can you tell the Committee what you believe this remuneration to your company will amount to in 12 months, under the present contract?—About 12,000*l.*

282. That is for one weekly service?—Yes, for one year.

283. What did you receive for last year?—I can tell you the net amount we received last year; but the details I have not got; the net amount was 9,504*l.* 1*s.* 5*d.*, we having only 11½ days allowed us in the winter. It is impossible for vessels to do it in that time regularly.

284. Were you subject to fines when you did not accomplish it in that time?—Yes.

285. Were they exacted?—Yes, every farthing; we urged the fact that our vessel had been in a tremendous hurricane for 24 hours, and we were told by the Post Office that the fines were absolute, and that they could not allow a single farthing off.

286. Were they exacted by the orders of the Post Office?—Yes, by the Postmaster General; we wrote remonstrating with him.

287. Had you been frequently unpunctual, exceeding your time?—Yes, we had, certainly, otherwise we should not have been liable to so many fines; but we had 24 hours less in the winter than we have now, and 2½ days less than Mr. Inman for running over the same ground; they had a day and a half longer from Queenstown than we had from Southampton.

288. Would you have expected the Postmaster General to exact the fine, had the mail occasionally exceeded the contract time?—Yes, unless we could adduce any reasons. In most other contracts there is a clause inserted to that effect, and in the Royal Mail and the Peninsular and Oriental Companies' contracts, there is a clause stating that if it is shown to the satisfaction of the Postmaster General that the circumstances causing the delay were such that the Company could have no control over them, he could remit a portion of the fines according to his judgment, but in our case they say that the fines are absolute.

289. Was that for continual unpunctuality?—No, for occasional unpunctuality. Sometimes we were 12 hours behind, and sometimes 24 hours behind, but occasionally we were 24 hours before our time, and that was not taken into consideration.

290. Mr. Talbot.] Had you no premium for arriving before your time?—No; if

if the arrivals before our time were put against the arrivals after our time, we should show under time rather than over.

291. Mr. *Seely*.] I think you said that the Company wish to carry the mails for the honour of doing so?—Not for that alone.

292. Is it not the fact that they likewise wish to carry the mails in consequence of being thereby able to secure more passengers and goods?—No doubt that may have something to do with the question. People, as a rule, like to go by a mail steamer, knowing that it must be punctual.

293. Mr. *Hamilton*.] Can you inform the Committee whether your contract time is in excess of the average actual time of the Cunard quick service?—I cannot speak accurately to that: I have had no necessity for getting out particulars, but that could be got from the Post Office, without the slightest fear of discrepancy in it. I think it would be better to obtain it from there than for me to give my simple opinion. I could only give a wide guess at it. I would like to mention one thing with reference to the steamers, that in speaking of our vessels in comparison with Messrs. Cunard's, we are not wishing to contrast our fast steamers with Cunard's fast steamers, but only with Cunard's slow ones.

Andrew Duncan, Esq.; Examined.

294. Mr. *Seely*.] ARE you a partner in the firm of Smith, Sundius & Co., who are agents to the Hamburg-American line?—Yes; Smith, Sundius & Co., is the name of my firm; we are agents for the Hamburg-American Steam Packet Company.

A. *Duncan, Esq.*

295. Did you carry the mails for ten months in the year 1868, from Southampton to New York?—We did.

296. On what days?—On the Friday in each week, after 1st March; before that, each alternate Friday.

297. Can you give the Committee the times of your passages during that period?—I have the whole of them (*handing in several papers*.) I have first of all, a table showing the time of the departures from Queenstown and Southampton respectively of all vessels which carried mails last year, including the vessels belonging to the company I represent; I have the times of their arrival at New York also.

298. *Chairman*.] Did your vessels touch at Queenstown last year?—No.

299. Mr. *Seely*.] Have you made an average of the length of voyage from Southampton to New York of your vessels?—Yes.

300. Will you give it to the Committee?—In what shape? Do you wish for a comparative statement or an actual statement?

301. Can you give an actual statement first, and will you begin by stating how many boats your company has?—We have seven vessels.

302. How many voyages did you make?—Thirty-nine under mail contract; 44 in the year.

303. Now, can you give the average length of the passages?—I have the average for the whole year; but I have not the average for the time when we carried the mails.

304. Where did you go from in the remaining two months?—We went from Southampton still.

305. *Chairman*.] Then the best way would be to give us the average for the whole year?—The averages of our passages from Southampton Dock to New York are made out per month; I can give the average passage in January for instance.

306. Mr. *Seely*.] Will you give it in the form which will be most convenient to yourself?—I have had these tables prepared, which will show the facts at a glance (*handing in a table*); our average for January was 12 days 8 hours 7 minutes from Southampton.

307. Is that to New York or only to Sandy Hook?—To Sandy Hook; that is 19 miles short of New York; I was sent for rather unawares; I was not prepared to be examined to-day, and I have not got these facts put in such a shape, perhaps, as I could have done if I had known what was desired.

308. Give us the information in the shape you have got it?—In the month of January we were 12 days 8 hours 7 minutes, on the average.

309. In February?—Nine days 14 hours; we have some very fast vessels.

310. Mr. *Graves*.] It is last February that you are speaking of now?—Last year, 1868.

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311. Mr.

A. Duncan, Esq.
17 March 1869.

311. Mr. Talbot.] Do you mean to say you have done it from Southampton to New York in nine days?—Yes; we leave commonly on Friday night, and arrive at New York on the Sunday week; we are due on the Sunday.

312. Is that from Southampton or from Havre?—From Southampton.

313. Chairman.] Now, will you give us the average for March; never mind the minutes?—Twelve days 4 hours 45 minutes.

314. In April?—Thirteen days 8 hours 30 minutes.

315. Mr. Greaves.] May?—Eleven days 18 hours, about; it is exactly 11 days 17 hours 54 minutes.

316. June?—Ten days 12 hours 18 minutes.

317. July?—Ten days 7 hours 42 minutes.

318. August?—Eleven days 12 hours 15 minutes.

319. September?—Nine days 23 hours 15 minutes.

320. October?—Eleven days 4 hours 30 minutes.

321. November?—Ten days 11 hours.

322. December?—Twelve days 21 hours 30 minutes; I must remark that in November and December we carried no mails.

323. Mr. Seely.] Have you the average of the 12 months?—Yes; but it depends upon the form in which the Committee wish to have it; I have it in three ways; I will read it to you in either way you think proper; I have it as though we all started from Queenstown, allowing 20 hours difference of time to us for going from Queenstown instead of Southampton (Hurst Castle).

324. Will you give us the average of these 12 months which you have stated separately from Southampton to New York?—The average from Southampton Dock to New York was 11 days 8 hours and 8 minutes, say 11 days 8 hours and 8 minutes, or from Hurst Castle to New York 11 days 6 hours and 8 minutes.

325. Now give it us in the other two forms you spoke of?—If you estimate all the steam vessels as starting from Queenstown, and allow us 20 hours off our passage for getting to Queenstown from Southampton (Hurst Castle), and add 4 hours 30 minutes for difference of time between this country and New York, the average duration of passage stands thus: the Inman line take 11 days 0 hours and 55 minutes; Cunard's, 10 days 8 hours and 5 minutes; the Bremen Company, 10 days 23 hours 46 minutes; and the Hamburg Company, 10 days 14 hours 38 minutes.

326. Chairman.] But then you see you did not load at Queenstown?—No, we did not.

327. We rather wish to take the comparison between the actual times occupied, I think?—Here are the actual passages (*producing certain Tables*); I have these tables prepared monthly, so that we may know what we are doing; these show every ship's departure; the time she leaves Southampton (Hurst Castle), and the hour she arrives at New York; and we add four hours and thirty minutes for the difference of time, and deduct for the Southampton departure 20 hours to bring them to a level with the Queenstown departures; I think an inspection of my tables will show that they are very ample, and that they contain every information the Committee may wish.

328. Mr. Seely.] Have you another comparison?—Yes; I have the actual result of the performances of the four fastest vessels of the Cunard steamers, compared with our four fastest vessels last year.

329. Chairman.] That is an actual result?—Yes; here are the days and hours and minutes occupied on the passage of each company.

330. Mr. Seely.) Is it the actual voyage from Southampton to New York and from Queenstown to New York?—Yes.

331. Be good enough to give it us?—The actual voyage from Queenstown to New York by the Cunard steamers was, on the average, 9 days 17 hours 21 minutes; by our four boats it was from Southampton 10 days 7 hours and 30 minutes. If the Committee does not take into consideration the distance we have to travel to reach Queenstown it ends there: otherwise it shows for us 9 days 11 hours and 30 minutes, or six hours, nearly, less than Messrs. Cunard and Company's.

332. Chairman.] Is that a comparison of their fastest boats and your fastest?—Yes.

333. Mr. Greaves.] That statement is assented to by the other companies, I suppose?—No; I have not had communication with anybody; I represent the Hamburgh-American Company only.

334. Chairman.]

311

334. *Chairman.*] There are 34 voyages of the Cunard vessels to 22 voyages of your vessels, I see?—Yes, that is all our four boats made.

335. But you did not take into the comparison the fact that the Cunard made 12 passages more than you did?—Yes; but had we made 12 more, we should have beaten them so much the more; this is another statement, showing the passages of each of the four mail lines (*producing another paper*).

336. *Mr. Seely.*] What payment did you receive for the service you performed last year?—For the service we performed we received a payment amounting in all to 5,412 *l.* 11 *s.* 2 *d.*, that is to say, this is the total sum the Post Office state that we earned, but they have not paid us that sum. They proposed to inflict certain fines which we would not assent to; we demanded an arbitration, which has not yet taken place; and in consequence of what my directors thought their harsh treatment at the hands of the Post Office, they gave them six months' notice to cancel the contract.

337. You did?—I did, on behalf of the company, my principals.

338. *Chairman.*] What was the amount of the fines they set against these earnings?—They fined us on two occasions, 300 *l.* each time, for not starting at two o'clock; that was according to contract. But although we did not start at two o'clock, we performed the service within the stipulated time; we reached New York before the number of hours we were bound to arrive in by the contract, and therefore we thought it could not be according to the spirit of the contract that we should be punished, because although we were two or three hours late in starting, yet we accomplished the journey in the proper time.

339. *Mr. Greaves.*] You accomplished it at the time you ought to have done if you had started at the proper time?—Yes; we were not very much behind time in starting.

340. *Mr. Seely.*] Can you tell the Committee at what time you did start on these two occasions?—I have not the papers by me; but I am ready to state that we were not later than five o'clock upon one of those occasions, and seven upon another. I could not tell you exactly; but it will all be a matter of arbitration, and the facts will appear then.

341. Can you tell what was the time at which you arrived, and the time at which you ought to have arrived?—We were fully within the contract.

342. Do you know by how much?—I cannot say that.

343. Those were not the only times that you were fined, I think?—No; we were fined two other times; and, though the contract stipulates that in the event of not starting we are to be fined 300 *l.*, there is another clause, which says that the fine is not to amount to more than the total sum earned on the voyage; and the Post Office fined us 300 *l.* for not starting at the given hour, and 92 *l.* 9 *s.* 4 *d.* more for not arriving in time; in other words, 5-8ths of the subsidy, besides the fine of 300 *l.*; my directors thought that that was totally un-English and unjust, and they resented it, and gave notice to the Post Office that they would have done with the contract.

344. You have told us of three fines?—There were four fines; there was a fourth fine also; they fined us 300 *l.* and a slight mulct for being over time.

345. How many boats have you capable of doing the voyage from Southampton in 11 days?—Seven.

346. Have you been building any new ones lately?—They fined us 1-8th of the subsidy upon the other occasion; we carried a mail bag, for which we got 129 *l.* 7 *s.* 3 *d.*, and they fined us 300 *l.* for not starting, and 16 *l.* 3 *s.* 5 *d.* also for being over time; our contention in the arbitration which is coming on is, that we certainly cannot be punished twice for one offence; we thought that we discovered a disposition not to treat us well, and we thought we had better have done with it; and this was after the Post Office wrote in the month of March to say that we appeared to be doing our business well, and they recommended the contract to be continued for nine months more, our contract having been only taken for three months in the first instance.

347. I asked you if you had built any new vessels lately?—Yes; we built two last year, two the year before, and we have one now building.

348. Did you tender in 1867?—We did.

349. And in 1868?—Yes.

350. Will you state the terms of your tenders?—In 1867 we were so unwise as to comply with the memorandum at the bottom of the tender that a prefer-

A. Duncan, Esq.
17 March 1869.

ence would be given to those tenders in which no alterations were made; and we filled up the blanks and sent it in, and to our mortification afterwards we found that other people had got much better terms.

351. What do you mean by much better terms?—They had more time.

352. And anything else?—And also, I think, although we took it from Southampton to the pier in New York, the other companies took it from more favourable points.

353. What company got more time than you did?—This return to the House shows it. I do not know whether the Committee will be disposed to review the different terms in the different cases. The North German Lloyds' had their mails taken from them at the quarantine ground at New York, which was a great consideration, because in the event of fever or small-pox, or anything of that sort occurring on board, your vessel could not possibly get up to the post-office, and you would be detained at the quarantine ground; and again, the quarantine officer does not come off between sunset and sunrise. Their time would end at the quarantine ground, whereas our time counted till the delivery of the mails at the pier. I have not with me a copy of our contract.

354. In tendering, in 1867, did you suppose that all parties would be put upon an equality?—Of course we did, naturally. We never supposed that any preference would be given to one over another. Then the Cunard Company had a large annual payment given them. The Inman Company tendered as we did. I do not see clearly from this paper whether they made any modifications, as compared with the tender, or not, but it is certain that they got a different rate. Here is a copy of the contract with Mr. Inman, showing that he only got 1*s.* per ounce, whilst Messrs. Cunard and Company got 80,000*l.* a-year. Mr. Inman wrote very naturally a very indignant letter, and asked that his tender might be cancelled. I have here the correspondence which took place. He got a reply, to say that the Government would have been prepared after six months to grant him a contract for a like term, calculated upon a similar principle to that of Messrs. Cunard and Company's. We never got any such answer.

355. In 1868, I believe, you put in another tender, not quite so liberal towards the public?—You know our directors have got to be just to their proprietors.

356. The tender you put in in 1868 was not quite so liberal towards the public, because in 1867 you found that you had not been treated upon equal terms with other tenderers?—We profited by our past experience, and therefore we made alterations in the tender. We were willing to go up till the end of November at the 1*s.* per ounce, having the extended time which we found had been given to the other companies, and having also a condition that we should not be fined for not starting at two o'clock, provided we made the passage within the stipulated time. And we asked further, that if we were required to perform a weekly service (we had been told, at the Post Office, that anything but a weekly service would be extremely inconvenient to them and to the regular trading public), if they would not dispense with one service; that is to say, take a fortnightly, instead of a weekly, service during the months of December, January, and February, we should have 12,000*l.* additional. That 12,000*l.* was not nearly the cost of running those extra vessels; but we thought we might fairly ask for that sum towards the expense of the voyages which we should not otherwise have made.

357. Do you consider that the prestige of carrying the mails is of importance?—Yes, it is a great advantage, because the American public ask no questions when they know that it is a mail steamer; they take it for granted that a mail steamer is all right, and they understand the economy of time as well as any nation.

358. Then a steamer which carries mails from England to the United States is more likely to get passengers and goods to carry from the United States to England than one which does not carry the mails from England to the United States?—Yes; from England to the United States, or from the United States to England.

359. I suppose that if you had no contract with the Government, and did not carry any mail bags, you would still start punctually?—Yes. We might not start at two o'clock just; if a portion of the cargo were late in arriving, or if the

the weather were bad, or if there were any delay from extra nightwork, we might delay an hour or two, but we should always start nearly at that time; we should always save the tide.

360. And you would endeavour to get to New York as quickly as you do now?—The statistics I have given you prove that in November and December last, when we had no mail to carry, and no subsidy, we went just as fast as we had gone in the other months of the year when we were carrying the mails.

361. Have you lately made an offer to the Government to convey the mails from Queenstown every Sunday for 25,000 *l.* per annum?—Yes.

362. Subject to the same terms and conditions as are contained in the Cunard and Inman contracts?—Yes; to leave Queenstown every Sunday afternoon, and to be bound in every way the same as they are, except as regards clause 18 of their contract. Our vessels being under a foreign flag, our company did not think that they were justified in agreeing to the conditions that the Lords of the Admiralty should be at liberty to take them to serve at British transports.

363. Did you make any stipulation for a term of years in this offer?—No.

364. Would you have contracted for a term of years if the Government had wished it?—Clearly it would have been a great advantage to do so; the telegram I received states it shortly. “We offer to take mails from Queenstown to New York every Sunday afternoon at 25,000 *l.* per annum, at same conditions as stipulated in contracts with Cunard and Inman, now before Parliament, except clause 18.”

365. Mr. *Hamilton.*] When was it that you offered that?—We offered it, I think, on Friday the 12th of March.

366. Last year?—No, last week; I think the 12th was Friday.

367. Mr. *Seely.*] Would you be able to commence that service at once?—We would have began it last Sunday. I do not know whether I may be allowed to state what induced us to make the offer; the fact was we had heard that the Cunard Company had written a letter to the Government to say that if a certain motion was carried their boats should not call at Queenstown next Sunday. I communicated with my company, and they telegraphed at once to say, “We will take the mails” on the terms I have stated to you.

368. And you had a boat ready to put on at once?—Yes; we had a boat ready to sail on Saturday from Havre.

369. You did not offer to perform the service in any given number of hours?—No, it was not necessary, because Messrs. Cunard and Mr. Inman had no time specified in their contract.

370. As I understand it, in consequence of your losing the mails you have ceased to go from Southampton?—We did cease to go from Southampton. When we found at the end of last year that we no longer got the mail, we found that our interest was in going from Havre, and we have abandoned Southampton altogether. To call at Queenstown would suit us perfectly, because it is only using a few hours calling for the mail.

371. Do you carry mails from the United States to this country?—Yes, every week.

372. On what terms?—Fifteen cents currency per ounce, that is about 6 *d.* per ounce.

373. Are you allowed to use any boats you please in that service?—No; the American Postmaster adopts a system which I should be very glad to see carried out in this country. He judges of the performances of boats in each year by their performances in the past year, and he bars certain boats; the Postmaster at Washington carries out that system. This is the agreement, we are allowed to carry the mails by certain boats, “with privilege to substitute, if one of the above steamships, now all in perfect order and condition, should require any repairs, either of the following steamships” which are named upon that bill. The bill includes seven boats which are at work now carrying the mails, and an eighth which is building; we have power only in the event of one of those boats breaking down to employ one of the others; these have been mails boats ever since they were built.

374. Mr. *Greaves.*] Where were those boats built?—All on the Clyde.

375. Who built them?—Messrs. Caird & Co. of Greenock.

376. Mr. *Seely.*] Will you give us the tonnage and horse-power of those

A. Duncan, Esq.
17 March 1869.

vessels?—They vary a little in tonnage, you might take all those vessels at from 2,500 to 2,600 tons.

377. What is the horse-power?—The horse-power is about 600, as nearly as may be.

378. Mr. *Talbot*.] They are all stated here in this small paper of yours at 3,000 each?—That is a little fiction that we indulge in in steamboat matters.

379. Mr. *Hamilton*.] Are they all screw vessels?—Yes, they are all screws.

380. Mr. *Seely*.] Do you come to Southampton on the return voyage?—We come to Cowes inwards, and a steam tender goes down to Southampton and takes the mails and passengers.

381. Do you think that subsidies are necessary for a rapid and punctual service between this country and the United States?—I should say not; I hardly know what you include in the term subsidy. If you will make it worth their while you will always get the Bremen and Hamburg Companies to come in and take the mails.

382. By a fixed subsidy I mean a fixed payment irrespective of the quantity of letters carried, such as Messrs. Cunard's 35,000 *l.* for one service?—I believe that if the Government were in the market, and wanted the mails carried, they might get them done for less, and get the business done as well too.

383. Do you believe that it is necessary to pay a certain amount of money per year, irrespective of the number of letters carried, in order to obtain a rapid and punctual service?—No, I think the American plan is by far the best; the Postmaster puts it up annually; by that means you secure the fastest ships, provided always that the rate offered is sufficient to make it worth while for the companies to carry the mails. I do not think that the sum we earned last year was enough to make it worth our while to carry a mail, and to be bound in penalties.

384. In dealing with the Post Office of the United States, have you to name a price at which you bring the letters, or does the American Post Office fix the price?—I have never been in the United States, but I believe that the Postmaster fixes the price, and I know that at present it is 15 cents the ounce.

385. Something has been said with regard to encouraging British ships, are your ships British?—They are under the flag of the North German Confederation.

386. Were they built here?—No, they are built at Greenock, on the Clyde; all of them were built there, except one, the "Allemania," which has been built at Southampton.

387. But every vessel you have has been built in England?—Yes, and the engines too.

388. If one line of steamers has a large subsidy, and another line has not, is not the former line placed at an advantage in carrying goods?—If the expenses of a certain trade amount to a certain sum, of course that sum has got to be recouped.

389. I think you have explained to the Committee partly why you did not perform the service in 1868 for more than 10 months; have you anything further to say upon that head?—No, nothing occurs to me at the moment.

390. What is the rate per ton that you charge for goods from Southampton to the United States?—About from 35*s.* to 40*s.* per ton now.

391. If you had to build steamers, knowing that you would carry no mails, should you build them of a different kind from what you would build if you knew that you would have to carry mails?—We should build them as fast as we could get them now; we should make no difference whatever consequent upon our having to carry mails or not; the only difference would be, perhaps, a sorting-room, which might be fitted up on board; a little place fitted on deck or below would do.

392. Would you be put to any extra expense in conveying mails beyond what you would be put to in conveying similar goods?—No; except that we should be burning more coal; of course when we carry mails we are always tearing away and keeping up a good deal of speed. I do not mean to say that we should not keep up the same speed if we had no mail to carry; I think we should nearly.

393. Is there any other expense that you would be put to in consequence of your carrying the mail?—It is very trifling, hardly worth naming.

394. You offer to call at Queenstown?—Yes.

395. Can you state to the Committee whether a Liverpool shipowner, having ships

ships sailing to the United States, would sustain any loss by calling at Queenstown?—It depends upon whether his earnings are dependent upon carrying emigrants or not, whether he would call at Queenstown for his own purposes. If he did not call at Queenstown for the purpose of carrying emigrants, or either first, second, or third class passengers he would incur a certain expense and a little loss of time in hauling up for Queenstown Harbour.

396. Would that amount to much?—No, not much.

397. How much would it amount to if he called in for mails?—There would be just the expense of a tender coming off; perhaps there might be some little extra expense for pilotage if his captain was not well acquainted with the harbour; it would be very little, because they would never go within the harbour; they would never go inside the lighthouse, or very rarely.

398. Do you know whether as a fact all the lines of steamers from Liverpool to New York call at Queenstown?—All the steamboats in the New York trade do.

399. Mr. *Hamilton*.] Whether they carry mails or not?—Yes; the Guion Company, the National Company, and all of them do for emigrants.

400. Mr. *Graves*.] You told us what rate the American Government allowed you for carrying letters to England; can you state what you are allowed for carrying letters outwards to foreign countries?—I can only say from hearsay, not from knowledge; it is two silver groschens a letter.

401. What is that?—About 7 *d.*; the company are paid at a rate per letter, and I have heard that what they receive amounts to over 5,000 *l.* a year.

402. Have you any objection to letting us have it approximately?—No; I will telegraph to the company, and I have no doubt they will send it; but I really think the Post Office officials have it (and I suppose some of them will be heard before you), because one of them called upon me this morning to know how many voyages we had made to earn that amount; I told him 44.

403. Would that sum you have stated include the English amount?—No; this is Prussian.

404. So that before you call at an English port for letters you are earning 20,000 *l.* per annum?—Yes, from a foreign Government.

405. If the conveyance of a mail assists in lowering the price for the conveyance of goods, the having two subsidies and two ocean postages would be an advantage?—It enables us to compete with other highly subsidised lines.

406. Do you happen to know whether the North German Confederation when they made the contract with your company advertised for tenders?—I do not know; I really know very little about it; I am only the agent for the company for England.

407. Or whether they carry the mails under their own flag?—I do not know about the flag.

408. Mr. *Hamilton*.] Did you not say that you asked for an allowance of 12,000 *l.* in consideration of your running through the four winter months?—Through the three winter months; we asked either for that or to be allowed to run a fortnightly instead of a weekly service in the months of December, January, and February, in which case, had the Post Office accepted the fortnightly service for those three months, we should only have got the 1 *s.* an ounce, and been paid at the rate of 5,412 *l.* per annum for those three months.

409. You are not under contract now?—No, we are not under contract now.

410. Now that you are not under contract, is the Committee to understand that you only run a fortnightly service in those months?—No, we run a weekly service now.

411. Then why did you make that application to the Post Office?—Because those are the dull winter months, and we did not want to be compelled to run a weekly service then; we had in former years generally run a less number of boats in those months.

412. Do you actually send a boat every week?—Since February 1868 we have done so; indeed we have done so the whole of this year.

413. Did you in the month of December last?—We missed one in December, but then we began to run from Havre, and then we changed our plans and began to run weekly, and since that time we have not missed any.

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A. Duncan, Esq.
17 March 1869.

414. Then you cannot say that your service is as regular and continuous as it would be if you were under contract with the Post Office?—It has not been under contract with the Post Office just lately, and now we are going weekly; we have gone weekly since the first of this year, and I see no reason to doubt that we shall have weekly departures during the whole of this year. It was with that view that we tendered to go to Queenstown.

415. What was the number of hours you tendered for your service when you were under contract with the Post Office?—I think it was 276.

416. When you tendered the last time to do it for 25,000 *l.* a year?—We wrote to the Treasury last week.

417. You did not offer to be bound to time?—No, because Messrs. Cunard and Mr. Inman are not.

418. Is not the Inman Company bound to time?—No, not at present.

419. Do you mean that the Post Office have no control over those two companies with regard to time?—Yes, they have none whatever.

420. They trust to them entirely to do the best they can?—Yes, they trusted Messrs. Cunard entirely last year, but they did not trust Mr. Inman; they tied him down to time last year; but now they are united, and have got better terms.

421. Do you know whether the United States Government have ever paid a subsidy?—I do not; since we have been carrying their mails, they have not; the payment has always been by a note, that is for the last 12 years.

422. At per ounce?—Yes.

423. Has it been a uniform rate?—I cannot tell you whether during the last 12 years we have always had the same rate.

424. What is the rate now?—15 cents currency per ounce.

425. You do not know what your company have received from the United States in the year?—I do not; I have engaged to send a telegram to my company and inform the Committee what the amount is to-morrow.

426. Do you consider that it is much more advantageous to a company, supposing the fixed subsidy is of a moderate amount, to have a fixed subsidy, than to carry the mails at a rate per ounce?—Decidedly; you know what you are doing; when we tendered at per ounce in 1867, we thought we were going to get 30,000 *l.*, and we had the miserable result of 5,412 *l.*; it is explained by a gentleman in the Post Office to us in this way, that we did not get so many letters in consequence of our starting on the Friday; you heard just now that the Bremen Company got 9,000 *l.*

427. *Chairman.*] £. 11,000 gross?—They got 11,000 *l.* gross, and I am told that it is because they were very fortunate in the time of departure; the Cunard boat cleared out the letters posted up to Saturday night, and the Bremen Company got all the accumulation of Saturday night, Sunday, and Monday morning; whereas we had only the accumulation between Wednesday night and Friday morning coming to Southampton.

428. *Mr. Seely.*] Would your experience deter you from renewing the contract upon those terms at per ounce?—No, it would not; my company offered, and tendered in October last year, to do the same thing again at the same price.

429. At per ounce?—At 1 *s.* per ounce; here is a copy of their tender (*producing the same*); we were willing to do it at 1 *s.* per ounce, not because we thought it very remunerative, but because we thought that was as much as we were likely to get; but we said, “We do not want to be compelled, for the benefit of the British public, to send boats when we do not intend starting them, and, therefore, if the Post Office insist upon weekly departures in December, January, and February, we must have 12,000 *l.* towards our expenses”; this 12,000 *l.* would not meet the whole expenses of running the extra boats, but they would go towards meeting them.

430. I observe that the price of a first-class passage in your boat is 24 *l.*?—It is 23 *l.* actually; we have raised it a sovereign now, because we have to send them over to Havre.

431. Do you know what the Messrs. Cunards' charge is?—The Cunard charge by a slow boat is very small; their rates vary.

432. What is it by a first-class boat?—I think it is 26 *l.* or 27 *l.*, up to 30 *l.* even; but in their slow boats it is much less; it is 16 *l.* or 17 *l.*

433. You do not find yourselves underbid, then, by Cunards?—Of course we are

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are by the Wednesday boats; Messrs. Cunard have got two different sets of boats; they have six fast boats and 14 slow ones; in fact, not all the 14 are employed, but only part of the 14, but their names figure; however, by the Wednesday boats he takes cabin passengers, I think, at 15 *l.*, and I am certain he takes them at 16 *l.* or 17 *l.*

A. Duncan, Esq.

17 March 1869.

434. Do you suppose that he is enabled to do that by the subsidy he gets from the Government?—I should consider that it helps.

435. *Chairman.*] Do you carry any French mails from Havre?—No, not under any subsidy with the French Government; we have not a lump sum.

436. But do you carry any mails at all?—I suppose the merchants of Havre put letters on board our vessels.

437. Are you paid so much per ounce for carrying them, or what?—I do not know that exactly; I can ascertain, and acquaint the Committee with the fact at the same time as I acquaint them about the other matter to-morrow. The fact is, I am agent for the Hamburg-American Company for England; I have pretty free hands as regards the limited kingdom, but I do not trouble myself about their arrangements on the Continent.

438. As regards the German postage which you receive, supposing it to be a sum of 30,000 *l.* a year you were paid, you are paid for the quantity of letters you carry?—Yes.

439. It is not in any sense a fixed sum?—It is not in any way a fixed sum.

440. And therefore if you did not carry those letters, we may presume that you would carry some cargo or something else in their place?—Yes; but the space they occupy is not large, a few tons.

441. It must not be put in the light of a subsidy from a foreign Government?—No; the company have a rate postage for the letters they carry; and it is only the last year or two that it has amounted to anything like this sum.

442. Are you under penalties from the American Government if you do not perform your return voyage in a certain time?—I am not aware of any penalties.

443. You closed your contract with the Post Office of your own accord last year!—Yes, thinking that we were not well treated.

444. Do you think that it would be possible with the existing lines of steamers to arrange for a regular departure of mails four times a week to America?—Quite easily, in fact, you may have five; assuming that you keep on the Cunard and Inman; with two of the Cunard, you may have six.

445. I was rather thinking of four first-class departures?—You have two very first class, the Hamburg and the Bremen, besides Guion's; I think Guion's boats are first class, though I speak under correction of the honourable Member for Liverpool, who knows probably more than we do about Guion's boats. We think his performances have been very extraordinary; we have a notion that his doings are remarkable; I will hand in the tables of the passages of the different steam lines. (*The same were handed in.*)

Vide Appendix.

619

Thursday, 18th March 1869.

MEMBERS PRESENT :

Mr. Dent.
Mr. Graves.
Mr. Greaves.

Mr. E. T. Hamilton.
Mr. Seely.
Mr. Talbot.

JOHN DENT DENT, Esq., IN THE CHAIR.

Frederic Hill, Esq.; Examined.

446. Mr. *Seely*.] ARE you the Assistant Secretary of the Post Office?—I am.

F. Hill, Esq.

447. The Committee asked for certain memoranda and papers; have you brought them?—No, I have not. I gave directions for their preparation, and I need not say, so far as I am concerned, I could not have the slightest wish to withhold from the Committee, even if I had the power, any document to which I was ever a party. During more than 30 years that I have been in the public service, I never wrote an official document of any kind that I should have the least objection to see posted up at Charing Cross; but I have the Postmaster General's instructions to say that if the Committee wish to have any other documents than those which are before the public, he, as the head of the department, would wish that they should apply to him, and that he would be ready to attend the Committee.

18 March 1869.

448. I suppose you have considerable experience of the packet service?—I have, very considerable experience.

449. How long had you the management of it?—I had the secretarial management of it for about 10 or 11 years. Up to the year 1860, there was comparatively little for us to do at the Post Office in connection with the packets, inasmuch as up to that time the contracts were entered into, not by the Post Office but by the Admiralty; but although we had not the direct management of the packet service, I believe that we were able materially to influence the service for good. So far as the Post Office was concerned, I had the secretarial management for three or four years before the year 1860. In that year the management of the packets was transferred from the Admiralty to the Post Office; and then I had the enlarged superintendence which that transfer entailed from the year 1860 to nearly the end of the year 1867.

450. Then in the year 1867 you ceased to have the management?—I did; partly in October of that year and partly in November the service was withdrawn from my charge; and in December of the same year the remaining portion of the packet service, and the whole of the Foreign and Colonial Department, of which that service forms a very important portion, were withdrawn from my hands.

451. Is there any document in the Post Office laying down the principles upon which the postal packet service was to be conducted?—There is; it is a Treasury Minute of the 16th April 1860.

452. *Chairman*.] Is that Paper before Parliament?—No.

453. Mr. *Seely*.] Who made that Minute?—It was a Treasury Minute sent to the Post Office for our guidance.

454. Can you state briefly the purport of it?—It gave the Treasury approval, generally, to the principles which had been submitted by the

F. Hill, Esq.
18 March 1869.

Post Office as those upon which it would be expedient to conduct the packet service. The main principles were that the service should, as far as possible, be rendered self-supporting in all its parts, and that long contracts should, as far as possible, be avoided. I think I may say those two were the main principles. I may add, according to my recollection, there was another important provision which is in accordance with a recommendation made in the report of a Committee presided over by Lord Canning, in 1853, and of which Sir Stafford Northcote was a member; a recommendation that as far as practicable the payment for packet service should rise and fall with the number of letters conveyed, that it should not be a fixed sum, but a sum varying with the number of letters: so as to present to those who conveyed the mails a constant motive for exertion, inasmuch as if they did their service well they would get large mails and a large payment, while if they performed it ill they would in all probability get small mails and small payments, their ships being overtaken by ships belonging to other companies; those three may be considered the great principles involved in that Minute.

455. Has any alteration been made in that Minute?—None that I am aware of.

456. Do you consider these contracts which we are now considering to be in accordance with that Minute?—No, I do not; very far from it.

457. Will you state what objection you have to these contracts?—Both contracts (I am now speaking of the Cunard Company's contract and the Inman contract) are for long periods, for fixed subsidies, and are not self-supporting; and there is in each an omission of security for the good performance of the service.

458. By "no security for good performance of the service," you mean mainly that no time is fixed for the performance of the voyage?—Yes; there is no stipulation that the voyage shall be performed in a certain time, with a provision that if that time be exceeded there shall be a penalty or a deduction from the subsidy.

459. Will you explain on what grounds you think these contracts are not self-supporting?—The payment that would have to be made under them, as the Committee is aware, would be 105,000 *l.* a year; while as well as I can estimate, the receipts to meet that payment would not be more than from 50,000 *l.* to 60,000 *l.* It should be borne in mind that a contract with any other company having a ship sailing quickly on the day before, or the day after, either of the Cunard or Inman ships, would necessarily subtract very considerably from the receipts; any diminution also that may take place in the rate of postage would, of course, also necessarily subtract from them. I estimate the whole amount of postage available for payment to all the companies with which contracts may be entered into for the American service, as not more than from 70,000 *l.* to 80,000 *l.*; and from that sum large deductions will, I am confident, have to be made before the residue is determined wherewith to pay the Cunard and Inman Companies.

460. When you speak of 70,000 *l.* to 80,000 *l.*, do you speak simply of the sea postage?—I do; the sea postage is the only postage which legitimately belongs to this service. For carrying on a good correspondence with America or any place abroad you require two things; you require a good inland service, and you require a good sea service; but neither will stand without the other; therefore I have always maintained that the inland service has just as good a claim to its portion of the postage as the sea service has to its.

461. At page 6 of the Parliamentary Paper, No. 77, it is stated by the Postmaster General that the total postage is estimated at 112,000 *l.* for the year 1869; how much would have to be deducted for the inland postage?—Something like a third.

462. Would not it be precisely one-third?—It would be precisely one-third in the case of the international letters, but not one-third with regard to letters passing through this country, and which we convey for foreign countries to America.

463. If we deduct one-third, would not that be about the amount for practical purposes?—Yes, roughly speaking, it would be about the amount.

464. Then there would be, according to that, 75,000 *l.* left as the amount estimated for sea postage for the year 1869?—Yes.

465. You state that you think the postage which would arise from the Cunard and Inman contracts would be about 50,000 *l.* to 60,000 *l.*?—Yes; of

COURSE

92

course it is a matter one cannot pretend to be precise about, but I do not think it would be more than about that sum.

466. But supposing the Post Office should give up the North German Lloyd's contract, and confine the conveyance of letters to the Inman and Cunard Companies' vessels, then would not the postage realised by those vessels be about 75,000 *l.* a year?—There is no doubt that if the department could take up and maintain such a position as that, viz., that notwithstanding the swift ships belonging to other companies going with as much regularity as the Cunard and Inman boats, and which are bringing mails from America to this country, no mails should go by them from this country, it would have the effect of throwing all this 75,000 *l.* into the fund necessary for paying the Inman and Cunard Companies.

467. *Chairman.*] The question put to you was, if the Government did carry out their notice to the North German Company to terminate their contract, it would, as a fact, throw the whole postage into the Cunard lines?—Even in that case it would only be so long as the present arrangement exists with regard to the postage of letters carried by private ship.

468. The question was put to you whether, under present circumstances, with a notice which has now, as I understand, been given to the North German Lloyd's Company, to terminate their contract, if that notice were carried out, it would not practically throw the postage into the hands of the two Liverpool companies?—Yes, if all other circumstances remained as they are.

469. *Mr. Seely.*] Perhaps your answer was based upon the supposition that it would be scarcely possible for the Post Office to avoid entering into other contracts for the conveyance of letters?—That is my position; I do not think it would be possible.

470. And that I apprehend was the reason why you fixed the sea postage which would be earned by the Cunard and Inman Companies at between 50,000*l.* and 60,000 *l.*?—Yes.

471. Did you ever put your objections to these contracts before the Post Office authorities?—Yes, I did, in two very full Minutes; one memorandum in October 1867 with regard to the service which was to begin at the beginning of 1868, and another memorandum, which, by the direction of the present Postmaster General, I prepared and laid before his Lordship in December of last year; it is dated December 24th.

472. *Chairman.*] With regard to what you considered to be third point of defect in these contracts, viz., the absence of security for good performance, will you explain what security for the good performance of the contract you consider to be absent from these contracts?—The great security that is afforded by a stipulation that the voyage shall be performed within a certain time, and that if it be not performed within that time, a penalty shall fall upon the contractors, either in the shape of a deduction from their subsidy or in a direct form.

473. *Mr. Seely.*] Will you state to the Committee why you object to contracts for a long term of years?—They fetter the department, debarring it from taking advantage of those improvements in steam conveyance which now follow each other in such rapid succession, and from using, to the best effect, the augmentation of traffic on the lines to which they apply.

474. It has been stated that an increase of 10 per cent. per year in the amount received for postage is likely to take place; is that your opinion?—No, it is not; from the very long experience I had with reference to the packet service, I am quite satisfied that that is greatly over estimated. In the analogous case of Canada, where some years ago the same reduction was made in the postage that has recently been made with respect to the United States, that is from 1*s.* to 6*d.*, the rate of increase in the first two years, to which alone the examination was extended, according to my recollection was only 5 per cent. It took two years, I believe, for an increase of 10 per cent. to take place; whereas, the rate of increase that Mr. Hunt contemplates, according to his recent speech in the House, is 10 per cent. annually. We have found over and over again with respect to distant places, for example in the cases of Buenos Ayres and China, that a reduction in the rate of postage has not nearly so much effect upon the number of letters as increased speed of conveyance, and more frequent opportunities; therefore I should not expect any reduction in the postage to very distant places to be followed by a rapid increase in the number of letters.

F. Hill, Esq.

18 March 1869.

475. Do you think that the contracts we are now considering would have a tendency to prevent a great reduction in the rate of postage?—I do.

476. For instance, coming to an Ocean Penny Postage?—I think, certainly, if the principle which has for many years been the rule of the Post Office that, as far as practicable, every department should be self-supporting, a principle strongly upheld by my brother, Sir Rowland Hill, is to be maintained, the adoption of these contracts would in my opinion prevent a reduction to the extent of one farthing, during the whole of the eight years, in the rate of postage.

477. Were you concerned with either of the Postal Conventions with the United States?—I was. The first negotiation, that is to say the convention which came into operation at the beginning of last year, was negotiated by myself.

478. That was the convention entered into in 1867?—It was entered into in 1867, but it came into operation in 1868.

479. Had you anything to do with the other convention?—No; I had nothing at all to do with the new convention. The new convention effects certain alterations in the convention which I had the honour and pleasure of negotiating; after a time fault was found with that convention; it had the support of the previous Liberal Government, and indeed, up to its ratification, of the late Government; but after it had been ratified, and after the packet service had been, in effect, taken out of my hands, fault was found with it. Even before it had come into operation the American Government was informed that at the earliest possible day notice would be given to terminate that convention. The convention provided that it could be terminated at a year's notice, and notice was given to that effect; but the American Government was informed that the British Government would be ready to enter into another convention, and another convention was entered into; it is the same convention as that that I negotiated, with some alterations. In my humble opinion, not one of those alterations is for the better, and some of them are materially for the worse.

480. *Chairman.*] What is the date of the convention you entered into?—The date of the convention I negotiated was, I think, June 1867.

481. There has been another since then?—Yes.

482. *Mr. Seely.*] On the 18th of June 1867 the convention which you negotiated was signed in London?—Yes.

483. How long was it after that convention was signed that notice was given to the United States that the British Government would terminate it?—Between five and six months.

484. Can you briefly explain to the Committee what difference there is between the first convention and the last?—By the first convention the postage was reduced from 1s. to a maximum of 6d. Each country was to be allowed to fix what postage rate it might choose, provided it did not exceed 6d. By the new convention the maximum was made the minimum also, the rate being fixed absolutely at 6d. The present position of the matter is this, that if this country were most strongly impressed with the expediency of reducing the rate of postage to America, it could not, without the consent of America, make such a reduction; and it is the same with America itself.

485. *Chairman.*] Have you the date of the new convention?—The new convention came into operation on the first day of this year.

486. *Mr. Seely.*] Have you any other point of difference between the one convention and the other to remark upon?—Another point was, that whereas it had been previously left to each country to fix its charge for newspapers, books, and other printed matter, by the new convention the charge for newspapers is fixed at a penny.

487. You mean to say we are under stipulations which prevent us making any reduction, either in the rate of postage of letters or books, and newspapers and other printed matter?—Yes; but I would say that the postage of newspapers having been brought down so low as a penny, I do not consider there is any practical difficulty created with respect to reduction, because I should not imagine for a moment that any postage of a newspaper to America less than one penny could be contemplated.

488. When you enter into a contract with the North German Lloyd's or the Hamburg Company, or any other company, on the principle of paying for the letters

303

F. Hill, Esq.
18 March 1869.

letters conveyed, is not it universally the case that you never give them less than the sea postage?—When we have entered into a contract upon that principle (there have not been many such contracts), it has been the rule to give the sea postage; that sea postage to be reduced if the time exceeds a certain number of days.

489. But the principle is to pay them the sea postage?—Yes.

490. That is now the case with regard to the North German Lloyd's, and was the case with regard to the Hamburg Company?—Yes.

491. And was also the case with regard to the Inman Company in 1868?—Yes; that principle is perfectly consistent with the principle of self-support.

492. The payment is at present 1 s. per ounce, is it not?—Yes, which I roughly estimated, taking round numbers, as the amount of sea postage.

493. Do the United States pay over to the shipowners the whole of the sea postage?—No, they do not; they get their work done more cheaply.

494. Do you know how much they do pay?—I believe they pay, instead of 1 s. an ounce, 15 cents currency, which is not more than about 6 d. of sterling money.

495. Then according to that the United States obtain a service similar to ours for about half the amount?—Yes.

496. Do you know whether their service is well performed?—I believe it to be so; since the packet service was withdrawn from my charge, I have not the same precise knowledge of it, but I believe it to be very well performed.

497. *Chairman.*] Have you heard of any complaints as to the delivery of letters from America?—I have not heard of a single complaint; if there had been any complaints, and they became sufficiently important to produce a Minute upon the subject, as one of the secretaries I ought to have seen it.

498. *Mr. Seely.*] Do you think that the service by the Cunard Wednesday's boats, called the slow cargo boats, is of much value?—I think it of little or no value.

499. Certain communications have passed between the United States Post Office and the English Post Office; can you put them in?—With respect to those communications, I have the same difficulty that I mentioned at the beginning.

500. If the tenders put in on the 1st of October 1867 had been accepted, we should have had one service performed by the Inman line, one by the North German Lloyd Company, and one by the Hamburg Company?—We should.

501. I think those tenders were made on the principle of paying the tenderers the sea postage only?—Yes, quite so.

502. And they were to start on a certain day?—Yes.

503. And perform the voyage in a certain time?—Yes.

504. And be subject to a penalty if they did not?—Yes.

505. The contracts we have are, I think, one by the Cunard quick line, one by the Cunard slow cargo line, one by the Inman, and one by the North German Lloyd?—Yes.

506. Then I think it is proposed to discontinue the North German Lloyd?—Yes.

507. The Postmaster General, I think, a night or two ago in the House, said he should not give the notice for the discontinuance of the North German Lloyd's line until this Committee had completed its labours?—Yes.

508. In making a comparison between the tender of 1867 and the contracts of 1868, I think we may omit the North German Lloyd?—Yes, that being common to both.

509. If so, would not the comparison stand thus: we should have for 1867 the Inman and the Hamburg Companies, and in 1869 two services by the Cunard Company, and one by the Inman?—Yes; but I would remark that the years you name are those in which the tenders were made; the service performed is, in each instance, a year later.

510. Striking out the slow service of the Cunard Company, then the comparison between 1867 and 1868 would stand thus: taking the tenders in 1867 we should have had one service by the Inman and one by the Hamburg Company, and now we have the Cunard quick line and Mr. Inman's line?—Yes.

511. Then the tenders of 1867 were for the sea postage, while the contracts for 1868 would be 105,000 l. a year?—Yes.

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512. Then

F. Hill, Esq.
18 March 1869

512. Then in 1867 we should have had a penalty for over-time, and now there is no penalty; there is no condition as to time, and consequently no penalty?—According to the tenders of 1867 we should have had that penalty.

513. Is it your opinion that paying the sea postage, instead of paying by a fixed subsidy, has a tendency to promote speed and punctuality?—Yes.

514. So that, in fact, to put the case in a very extreme way, in 1867 we should only have paid for the letters that were carried; but in 1869, even if no letters were carried, or only a very few, we should still have to pay the 105,000 *l.* a year?—Yes, according to the tenders of those respective years.

515. I think that in the year 1866, the Postmaster General expressed an opinion to the effect that a daily mail was desirable, and that he thought it was practicable to obtain it (Parliamentary Paper, No. 42, page 23)?—Yes.

516. On the principle of giving the sea postage binding the parties to a fixed sum, and a penalty for over-time?—Yes.

517. This is an extract that has been sent to me from a paper entitled the "London Scotchman," dated Saturday, 20th February 1869; it is only the latter part that I want to call your attention to: "The time will come when there will be a competition to carry mails across the Atlantic for nothing, and an actual courting of penalties for non-fulfilment of contract; a consideration of the influence on passengers and freight consigners sure to be exerted by the knowledge that a company is entrusted, *par preference* with the mails, and bound in heavy penalties to be speedy and regular, will in course of time stimulate shipowners to compete for the mail bags; the principle has already come into operation at home; Mr. Burns, of Glasgow, holds the contract for the daily conveyance of mails between Greenock and Belfast; he undertakes to perform this service in all weathers free of expense, and besides, to pay an annual sum of 100 *l.* as penalty for improper performance of the duty; can it be doubted that Mr. Burns finds it to his interest to carry the mails under these conditions, and that as he does so now, others will in time do the same;" is it within your knowledge that Mr. Burns has any contract of this sort with the Post Office?—Yes, it is; as long as I had the superintendence of that matter, I had special knowledge that he did, and for a very considerable time, convey the mail with great regularity from Greenock to Belfast.

518. *Chairman.*] Do you think it a right principle for a public office to take service from private parties, and not pay them for the service?—I think the right principle for a public office is to get service well done upon the lowest possible terms.

519. *Mr. Graves.*] Does that arrangement continue now?—As far as my knowledge goes, it does.

520. *Mr. Hamilton.*] A contractor is sure to look after his own interests, is he not?—Certainly; I should say, from experience, that he is sure to do keenly.

521. *Mr. Seely.*] Are there any other matters that you desire to lay before the Committee in connection with this question?—First, allow me to go back for a moment to the rate of increase; the rate of increase with regard to the American postage has, during the last two or three years, been unusually rapid; but that is attributable to the cessation of the civil war. During the civil war the amount of the postage of international letters fell off very largely; to the extent of one-third. It has now, for some time, been recovering itself; but taking a long period, say eight or ten years, it will be found that the rate of increase in the number of letters is very far from 10 per cent.; it would be an extreme point to fix it at five per cent.

522. *Chairman.*] Have you any figures to show that it fell off during the American war one-third?—It is so stated in the Postmaster General's Eighth Annual Report; that for 1861.

523. Has the increase since been more than the recovery for the loss?—Not, according to my impression, as far as the accounts have been made up, more than the recovery for the loss, after allowing for the ordinary increase.

524. *Mr. Graves.*] Who is the responsible head of the department under the Postmaster?—Mr. Tilley.

525. Are you under his control?—To a certain extent I am; but it has always been the practice of the Post Office for the secretary and the assistant secretary to act very much as so many secretaries. We send our Minutes direct to the Postmaster General; we do not send them to Mr. Tilley, nor did we to my brother, Sir Rowland Hill, when he was secretary. Mr. Tilley and I, who
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were then the assistant-secretaries, sent our Minutes direct to the Postmaster General; I do so now; so does Mr. Tilley, and so does Mr. Scudamore.

526. Has Mr. Tilley the sole control of the foreign and colonial mails?—To a considerable extent he has the charge of the foreign and colonial department; most of the Minutes upon that subject are now signed by him instead of myself.

527. Has he deputed you at all to express his views upon this subject?—Not at all; these are my own views.

528. Do you know whether he agrees with you, or not?—I know he does not agree with me.

529. Is there any other permanent chief in that department, besides Mr. Tilley?—Yes, there is Mr. Scudamore.

530. Does he agree in the views you entertain?—No.

531. Is Mr. Pearson Hill, who gave his evidence yesterday, a clerk in the Secretary's office?—Yes; he is a first class clerk, and my private secretary.

532. Was he authorised at all to give his evidence yesterday by the Post Office authorities?—Not so far as I know; the Post Office authorities, I imagine, would not suppose that any authority was required to enable him to obey the orders of this Committee.

533. So that the Committee may assume that the views he expressed yesterday are not those of his chiefs?—Certainly not; so far as Mr. Tilley and Mr. Scudamore are concerned.

534. Mr. *Hamilton*.] Reference has been made to a Treasury Minute of 1860, which I understand expressed an opinion of the Lords of the Treasury against the system of fixed subsidies; has it ever been acted upon?—Yes; as long as the packet service was in my charge it was very carefully acted upon.

535. Do you consider the contract with the Peninsular and Oriental Company to be in accordance with that Minute?—No, I do not; when I say "acted upon," it was acted upon in spirit, as far as we could.

536. Do you consider the contract with the Royal Mail Company to be in accordance with that Minute?—No, I do not; the Minute of the Treasury enjoined great economy, and that great exertions should be made to effect economy. Of course that is only one point among others. It expressed regret that the cost of the packet service had been steadily increasing; it urged much greater economy, and much greater efforts to be made to make the service self-supporting.

537. Can you mention, leaving out of view these contracts across the Atlantic with the United States, or with Canada, any service in which the principles laid down in that Minute have been acted upon?—If you say "principles," of course that term would include all; it would include the avoidance as much as possible of long periods, and the avoidance as much as possible of any payment beyond what was absolutely necessary.

538. I am pointing more to the recommendation that in future those services should be self-supporting. Are you aware of any contract, putting aside these services across the Atlantic, in which that principle has been carried out?—The principle has been, I should say, very fully carried out in the minor services between Dover and Calais and Dover and Ostend; and with respect to the larger service to the Cape of Good Hope, by the last contract, the service to the Cape which, when the packet service came into my hands, was productive of a very heavy loss to this country, was brought so nearly within that principle that the remuneration consists of the sea postage augmented only by the inland postage.

539. Has not that Treasury Minute been acted upon in this way; that, instead of being applied to the abolition of the existing subsidised services, it has only been applied to the non-extension of subsidised services. I will give you a case in point; you may remember, some years ago, an application for a subsidy for the Australian service, *via* Panama?—Yes.

540. That was refused?—Yes.

541. And principally on the ground that it was a new subsidised service?—No; it was principally upon the ground that the Post Office attached but very little value to the service. We thought it was a mistake to convey letters by that route; that it would be far better to double the route by way of Suez than to have a route by way of Panama.

542. But the Post Office offered the sea postage to any contractor who would undertake the Panama service?—What the Post Office did was this: it gave good reasons for not granting a subsidy, but recommended the Treasury, as a

F. Hill, Esq.

18 March 1869.

temporary arrangement, without pledging the Post Office for the future, to allow the New Zealand colonies the use of its packets across the Atlantic without charge.

543. I suppose your opinion practically is, with reference to the services immediately before the Committee, that the time has arrived when subsidies may be dispensed with?—With respect to this service. And I may, perhaps, be allowed here to give this extract from the Report of the Select Committee of 1860, before which I gave full evidence upon the packet service. The Committee express themselves thus: “Your Committee cannot conclude their Report without recording their opinion that it is quite practicable to dispense with large subsidies in cases where ordinary traffic supports several lines of steamers, and 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.”

544. And you endorse that opinion entirely?—I entirely agree with that opinion, and say the case has been strengthened since then by the further development of the traffic.

545. Is it your opinion that the rapidity, or punctuality, of the delivery of postal matter would suffer by doing away with these subsidised services?—No; and even if it were, I believe the injury would only be temporary. If a firm attitude were taken and these subsidies were refused, and the two companies informed that they might have the sea postage, but only the sea postage, I have little doubt that in a very moderate period it would be found that those companies would not consent to lose the large payment that they would have under that arrangement, especially when they bore in mind the power, which the law gives us to send mails by their vessels with, or without, their consent, at the low charge I have mentioned to you; generally 1*d.* per letter.

546. You think there might be some temporary derangement in the rapidity and punctuality of the delivery of postal matter if the subsidies were immediately terminated?—I think there might.

547. That would rather point to a gradual termination of this system across the Atlantic, would it not?—No; I think the time has arrived to terminate it at once. I think if the contracting parties knew that they could not get more they would be willing to receive the sea postage. Mr. Inman showed his willingness last year, because those were the precise terms on which he offered to do the service. When the Cunard contract was renewed last time, in the period of the Derby Government, six or seven years ago, Mr. Inman sent a letter, which we forwarded to the Treasury, expressing his perfect readiness to convey letters for the sea postage; and he has over and over again expressed that willingness; therefore I do not think he would be long in again expressing a similar willingness. In the meantime the boats of both companies could be used, to a very considerable extent, for the conveyance of ship letters, as we call them. Any person has nothing to do but to put outside his letter by what ship he wishes that letter to go, and it is our practice always to send it by that ship to any part of the world. Therefore if any one preferred his letter going on by one of the Cunard or Inman vessels, it would go by it. I may mention that the Hamburg-American Company, which does its work very well, has, I believe, expressed its full willingness to start its boat from Southampton on the Saturday. In my memorandum of October 1867, I stated with respect to any difficulty, imaginary or real, about having no boat to convey mails on a Saturday, that I had full reason then to believe that the Hamburg-American Company would, if they were negotiated with, start their boat on the Saturday. I knew, as a matter of fact, that in choosing the day of the week on which their boats should start, they came to the Post Office and inquired which day would most likely give them a large mail; and the discontinuance of the Cunard boat would immediately have made Saturday by far the best day. Saturday, for the starting of the boat, has been urged upon us several times by London merchants and others, as a preferable day to the day we have now, which is, in effect, Sunday, that being the day on which the Cunard steamer leaves Queenstown; whereas the applicants expressed a wish that the boat should leave on the Saturday. Indeed, the Cunard Company were communicated with on the subject at the time I had the secretarial charge; but they said, and reasonably, that as their contract was about coming to an end, they should not like to contemplate any change of their day.

548. You stated that you do not consider the second service of the Cunard Company

304

F. Hill, Esq.

18 March 1859.

Company by the slow-going boats as of any value at all?—I said, of little or no value.

549. You would not say the same with reference to their service by the fast boats?—No, that has been very well performed. I desire to take this opportunity of saying that the Sunday Cunard service has been very well performed.

550. In view of the temporary derangement which you think might occur in the case of the immediate abolition of those subsidised services, do you think it would be worth while to retain, not for eight years, but for two or three years, the swift service of the Cunard Company under a subsidy?—No; the Post Office greatly objected to the last renewal, six or seven years ago; we did all we could to prevent it; that renewal delayed, for many years, the reduction in the postage from 1 s. to 6 d.

551. As to the Cunard slow service boats, they would stand no chance of being accepted in a tender against many of those first-class boats of other companies?—Not if the recommendation lay with me.

552. They are not of sufficient power and quality to do the service?—That is their reputation, and that reputation is confirmed by their doings since the beginning of the year; this, I think, was a point on which my nephew gave evidence yesterday.

553. I believe it is within your knowledge that the practice of the United States Government is to select individual boats according to the service they have already shown themselves capable of doing?—Yes.

554. Is it within your knowledge that they had ever accepted one of those slow cargo boats?—I have not the remotest idea that they have; I believe it is well known that they do not send mails by them.

555. It is not within your knowledge that the American Government has ever selected one of those cargo boats?—It is not within my knowledge.

556. You have pointed out that one peculiar feature in these contracts is that there is no security for punctual service?—Yes.

557. Is it within your experience that a subsidy has ever been granted in another case without some such security being taken?—No, I do not know of any case. The kind of security that used to be taken is different from the security which has now for a considerable time been taken; but the present contracts contain neither the one kind of security nor the other. The security formerly taken was this: that the boats to be used should be subject to approval by the Admiralty; their plans had to be approved before they were built; and after the contractors had built their boats the Admiralty could call upon them to make alterations. That was the security formerly adopted; to see that boats were not built that were thought to be unfit for the purpose; but then we know, though you may have a capital boat, unless you are liberal in the supply of coal you go at a very slow rate; so that for some years the security which, at my instance, was adopted has been of a different kind. This security is in accordance with the recommendation of Lord Canning's Report, that the contract should be made as simple as possible, and that it should consist chiefly of a stipulation that the voyage shall be begun at a certain time and completed in a certain time; and this subject to penalties.

558. And those conditions are not in the present contract?—No.

559. Is it within your knowledge that the Peninsular and Oriental Company and the Royal Mail Company are under conditions as to the time of starting and the time for performance of the voyage?—Yes.

560. It has been stated to the Committee that the practice of sorting letters on board has been abandoned; is that the case?—Yes.

561. Does the delivery of letters at the port of arrival suffer in consequence?—I believe not. The sorting which used to be done on board ship is now done on land. Thus the sorting of a mail received by us for delivery here *via* Queens-town, instead of being done on the ship, is done in the travelling post office.

562. You think, on the whole, it was incurring unnecessary expense to make those provisions for sorting on board ship?—As I have not now the detail of the management, I am not able to speak to the comparative expense.

563. As to the sea postage, say that you have a box of general correspondence weighing so much, what would be the number of letters you would reckon a fair average to the ounce?—That depends upon whether they are international letters or not. Letters which we are asked to convey for certain foreign countries, especially France, weigh much less individually than our

F. Hill, Esq.

18 March 1869.

letters. The French are accustomed to smaller weights, and they look more charily at additional postage arising from overweight. There are more letters to the ounce in a mail we should receive from France, or even from Prussia, than in an English mail.

564. Limiting yourself to the service across the Atlantic, what would be a fair average to take as the number of letters to an ounce, taking them altogether?—With respect to international letters originating in this country, and delivered in the United States, they would be rather more than three to the ounce; three and a fraction.

565. Does not it follow that in those contracts, upon the basis of paying the sea postage, you give a very inadequate remuneration to the ships?—No.

566. As I understand, you charge 6*d.* on each letter, therefore the postage on three letters would be 1*s.* 6*d.*?—Yes.

567. Then the sea postage would be what, upon three letters?—A shilling.

568. You pay the full sea postage?—As nearly as could be readily ascertained.

569. Do you think it is reasonable to deduct the full penny for the inland postage, considering that the service that you render is merely limited to the delivery of the letters in bulk, and that you do not deliver each individual letter; in the case of inland letters, you deliver the letters from house to house, while, in the case of the sea postage, you merely deliver the box of letters on board the ship, and you are entirely exempt from the heavy cost of the delivery of each letter at each particular house?—As regards those letters, we have, in every case, to collect the letters, and to convey them from the place of postage to the port of embarkation; in the case of every letter that goes out, we must collect it, we must tax it, and we must convey it to the port of embarkation; taking all the trouble about the bills and so forth; and with regard to every letter coming in, we have to convey it from the port of disembarkation to the town in which it is to be delivered, and have to deliver it at the house to which it is directed.

570. I am speaking with reference to letters out; the Post Office is saved the cost of the delivery of each individual letter; is it fair to deduct the whole amount of 1*d.* from the total postage, as representing the inland delivery?—I think it is; we take that penny as the charge for the inland service. The experience of the United States with regard to this very class of letters shows that the mistake, if there be a mistake, is rather the other way, in giving the sea service credit for as much as 4*d.*; for they get that service done for much less than 4*d.* Therefore, it would seem that if there be an excess in the charge for inland service it is not so great as the excess for the sea service. All this would point to a further reduction of postage, if the country be content with having a service with the United States that is self-supporting, but merely self-supporting, and not yielding a revenue.

571. I gather it as your opinion that, on the principle of paying for the conveyance of the mails by granting the sea postage, the Post Office could not make a more liberal allowance than at present, the rate of postage remaining the same?—That is my opinion.

572. Mr. *Greaves.*] In reference to security by way of fines for non-efficient performance of service, it was stated in evidence yesterday that the Hamburg-American Company on one occasion were paid for carrying a bag of letters 129*l.* 7*s.* 3*d.*, that they were fined 300*l.* for not starting at the proper time, and 16*l.* 3*s.* 5*d.* for being over time; do you remember that circumstance?—I think I do.

573. Do you think that the infliction of such fines would be submitted to by companies or by owners of vessels who were merely paid for the work done, and not by subsidy?—Yes; the fact of the North German Lloyd Company continuing to perform the work, and the Inman line continuing to perform it in 1868 without any complaint, so far as I am aware, shows there is that willingness to do the work under those restrictions. But I would say that it did not seem to me that the infliction of that penalty was within the spirit of the contract with the company. Of course a company coming from a distant place is not like one starting from the point of departure of the mails; they have a difficulty in hitting the time. The company said, according to my recollection, "It is true we were too late in arriving at Southampton, but we made so good a voyage across the Atlantic that the whole amount of delay in the letters was only so and so; and that would have subjected us to merely a deduction of so much; which we are ready to pay; we do not think the additional

additional payment of 300*l.* for the mere circumstance of our being too late, irrespective of the effect of that upon the voyage, should be inflicted." That would have been my view.

574. It would have been judicious, you think, on the part of the Post Office to have listened to that argument, and have remitted the penalty?—I cannot say that; I only say that if the case had rested with myself I should have recommended that the penalty be not inflicted.

575. Did you object to the renewal of the contract with the Peninsular and Oriental Company in 1867?—Yes, very strongly.

576. And also the contract with the Royal Mail Company in 1868?—Before the renewal of the Royal Mail contract in 1868, the whole of the department had been taken out of my hands; and therefore I did not consider myself in a position to object; and I did not.

577. Are you aware what was the guaranteed speed of those vessels?—According to my recollection the time they were allowed in their principal voyage to St. Thomas's was 10½ knots an hour.

578. Was that speed generally kept up?—They worked very well during the last years of their contract; years ago they did not do the service well, but for many years they performed it very well.

579. *Chairman.*] I suppose you are not answerable in any way for the contracts which were made with the different companies in 1867 for the service of 1868; probably Mr. Tilley or Mr. Scudamore will be able to give more information with respect to those contracts?—I am not answerable for them.

580. I understood you to say you do not think there would be much derangement of the postal service by upsetting any of those contracts?—No.

581. You stated that steamship companies are obliged to carry letters for the Post Office?—Yes.

582. Will you give us the particulars of their obligations; take the particular case of the Cunard boats, sailing as they usually do on Saturday, and the contract is upset, how can the Government compel them to carry mails to New York?—The Act is very precise upon that subject; it imposes a penalty of, I think, 100*l.* if the ship leaves the port without the mail, if it has any intimation that the mail is to be sent.

583. In what way would the intimation be conveyed to the steamer that a mail was to be sent by it?—Probably the Post Office would inform them that a mail would be sent; it is a power which we constantly exercise.

584. Supposing the Cunard steamer leaves Liverpool at four o'clock ordinarily, and that the mail comes in from London at three, so as to be delivered at four, and supposing the contract being upset, the Cunard Company chose to change their hour and leave at one or two, what remedy would the Post Office have?—It would have no remedy then.

585. The Cunard Company could not, of course, be compelled to call at Queenstown?—No.

586. And even supposing they did call at Queenstown to pick up passengers, they could not be compelled to wait an hour or any time for the mail?—No, certainly not.

587. Who would deliver the mails on board the steamer?—The postmaster of the particular town; it would be done under his direction.

588. The Company merely take the bags on board if brought to them?—The obligation imposed by the Act respects also the delivery of the letters; they are compelled to deliver any bag without delay at the nearest post office.

589. With regard to the reception of the letters, are the mails on arriving at Queenstown at present sent out by a tender belonging to the company?—I think so.

590. Supposing the steamer to touch at Queenstown the letters would have to be put on board by a tender belonging to the Post Office?—Very likely; especially in rough weather.

591. You could not under those circumstances at all calculate with any certainty on the mail going on board at Queenstown?—No, you could not; they are not bound to touch at Queenstown at all.

592. Even supposing they do touch at Queenstown for their own convenience, you could not ensure that you would get your mail on board at Queenstown?—

F. Hill, Esq.

18 March 1869.

Yes, I think you could if they are to touch at Queenstown; they must make known to the passengers the time at which they would start.

593. Their voyage from Liverpool to Queenstown may be shorter or longer?—Yes, that is the case; but the probability is that they make it longer or shorter by a smaller or greater consumption of coals. They have to consider that without regard to tide, which of course makes the hour of leaving Liverpool vary, they have to embark the mails and passengers at Queenstown at a certain time on a certain day.

594. They give a guarantee to their passengers that they will pick them up, and will not leave before a certain hour?—Yes, I presume so.

595. And, therefore, the mail would have the same advantage as the passengers would have?—Yes.

596. I understand you that they are bound, if they take the bag in that way, to deliver it at the port of arrival?—Certainly.

597. The state of things, where there was no contract, would not be at all comparable to the certainty and regularity of the mail as dispatched under contract?—I do not think there would be any material difference.

598. Of course, under contract, though there are not penalties with regard to the time of the voyage, there are certain penalties with regard to the hour of leaving?—They must have a boat ready to start at a particular time, and they must do that for the sake of their passengers.

599. *Mr. Hamilton.*] Is it within your knowledge that Inman's boats, when they had no contract at all, were just as punctual in their departure as Cunard's?—That is my full belief. They were not under contract with us, and therefore we did not keep that precise account which was kept, under my directions, in the case of all our contract ships.

600. I suppose you do not contemplate that there would be no contract with a service such as Cunard's, but you contemplate a contract upon a totally different basis?—Exactly.

601. And you suppose that the inducement of receiving full cargo payment at the rate of 1 s. per ounce would be sufficient inducement to them to come to reasonable terms with the Post Office?—Yes; it is a matter of some 20,000 l. a year.

602. *Mr. Seely.*] You stated, I think, that there was a penalty of 100 l. upon owners of ships, if they failed to deliver letters upon arrival at a port?—The penalty I spoke of before was for sailing without the mail. There is also, I believe, a penalty for non-delivery.

603. Is it not the fact, that that penalty according to the law only applies to ships going to a port belonging to Great Britain, and would not apply to a vessel going to the United States?—According to my recollection of the Act, the owners of the vessel would be bound to convey the letters to a foreign port, and there deliver them. Our law ends there; we could not compel them to take on board a mail at a foreign port, say New York; that must be for the American law; and the American law can of course enforce any arrangement as to the delivery of mails; both the delivery and the embarkation are within their control. That was one reason which induced me to propose, as was carried out by the treaty which I negotiated, that we should have everything to say about the outward mails, and they should have everything to say about the inward mails; they arranging everything at one end, and we arranging everything at the other.

604. Is it not the fact that we could not levy any penalty for non-delivery of letters quickly at a United States port?—I am not sure about that; but I feel sure that if there were any delay in the matter the Americans would soon be on the alert, and take measures for having them delivered very quickly.

605. You cannot state to the Committee what the American law is in that respect?—I cannot; I can only presume what the American practice would be.

606. You cannot state definitely what our law is with regard to the penalty for delay in delivering letters on arriving at a port belonging to the United States?—No; I do not bear it in mind.

607. *Mr. Pearson Hill*, in his evidence yesterday, said that the calculation of 111,700 l. was over-estimated, and that he had a conversation with the officer who made the calculation, which officer admitted that he had made a serious error; were you present when that conversation took place?—I was, and I would add that the calculation is not in accordance with the statement on the subject in a recent letter to the Treasury. Allow me to say also that my nephew has

33

has a very considerable power of checking calculations and finding out errors.

F. Hill, Esq.

18 March 1869.

608. Mr. *Seely*.] Have you any other matter to state to the Committee connected with the subject of their inquiry?—In my memorandum of October 1867, I showed, and I believe successfully, inasmuch as my statements and arguments were not controverted, that the calculation upon which Mr. Scudamore expected that the payment to the Cunard Company, which was then contemplated to be as high as 90,000*l.*, and which, in the first instance, was recommended for acceptance at that amount, was quite fallacious; and I have little doubt that if it had been known in Parliament that the Secretary, who had had far more experience in this matter than any other secretary, entirely disputed the accuracy of that calculation, the contract for 1868 would not have been persisted in.

609. Mr. *Hamilton*.] Did I rightly understand you to say that you consider these subsidies interfere with the prospect of a reduction in the rate of the ocean postage?—Yes.

William Edward Baxter, Esq., a Member of the House; Examined.

610. Mr. *Seely*.] HAVE you long taken an interest in the packet service?—I have.

W. E.
Baxter, Esq., M.P.

611. And have you brought it several times under the notice of the House?—I have; I was a member of the Packet Service Committee which sat for two sessions some years ago, one of whose recommendations to the House was that there should be no payment by fixed subsidies on oceans where there was effective competition.

612. Did you bring before the House the question of the proposed contracts with Cunard's Company on the 20th of March, 1868?—I did.

613. Would you have pressed that motion to a division had you not thought that the general feeling of the House, and, indeed, the admissions of the Government, were in accordance with your views?—The Chancellor of the Exchequer admitted that different arrangements should not be made with the various companies, and assured the House that whatever arrangements were come to in the future, they should be the same with the various companies running steamers in the North Atlantic. On that assurance, and on the recommendation of Mr. Bright, I withdrew my motion.

614. Was not the purport of your motion, likewise, to condemn fixed subsidies?—My motion was in the exact words of the recommendation of the Committee, that there should be no payment by fixed subsidies on oceans where there was effective and active competition.

615. You fully expected that no contracts would be entered into by the Post Office on the principle of paying a fixed subsidy?—Certainly, on that ocean for that service.

616. Are you connected in any way with a line of steamers?—No.

617. Have you any interest in the matter at all?—I have a very great interest in the regularity and speed of the communication between this country and the United States, as a merchant carrying on considerable business with that country, and I have, further, the interest, which all of us have, as a British taxpayer, in seeing that the service, with all due regard to speed and regularity, should be conducted as economically for the Government as possible.

618. I gather from you that you are decidedly opposed to paying a fixed subsidy for the conveyance of mails from this country to the United States?—I wish it to be understood that I am by no means opposed to fixed subsidies, as I believe no contract of this nature was ever made which was more beneficial to this country than the original contract with Cunard's Company on the North Atlantic; but in the present circumstances, I hold that it is altogether unnecessary to pay any company a fixed sum of money for performing that service.

619. Do you think it unwise to enter into a contract for the conveyance of mails from this country to the United States for the term of eight years?—Most undoubtedly; I object very strongly to such contracts extending over many years where there is competition.

620. If you object to fixed payments for the North Atlantic services, in what

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*W. E.
Baxter, Esq., M.P.*

18 March 1869.

manner do you think those services should be remunerated?—I should pay all the steamers by results, according to the weight of the letters actually carried.

621. Your opinion would be to the effect that any steamer should be allowed, on certain conditions relative to speed and time of departure, to carry mails?—Yes, I should throw the trade entirely open to every vessel answering certain requirements of the Post Office. She should have the mail bag, and be paid according to the number of letters carried over the ocean. Under such a system I am perfectly persuaded that, before two years, the end would be a daily communication with the United States, much, cheaper postage, greater rapidity, and quite as much regularity.

622. Can you give the Committee any information as to what the practice of the United States is in the conveyance of their mails?—The United States pay according to the weight of the letters, and they are ready to contract with all companies, but they insist upon their own terms; they do not yield to the terms of the companies.

623. *Chairman.*] They insist upon particular boats being named by the companies, do they not?—Yes, that is absolutely necessary; if you enter into an arrangement, you should have some guarantee that the boat is of a certain speed.

624. *Mr. Seely.*] Are you aware whether the subsidised companies have built more steamers than those which have not been subsidised?—The very contrary is the fact. When the Cunard Company was largely subsidised, Mr. Inman's company, which was not subsidised, built many more vessels, so did the North German Lloyd's and the Hamburg Steam Navigation Company. I believe the fact to be that the Cunard's Company in that period built fewer steamers than any other company crossing the North Atlantic.

625. The steamers of the Cunard Company are faster than others, are they not?—With the exception of the "City of Paris," owned by the Inman Company, I believe that some four or five Cunard steamers are the fastest at this moment on the ocean; but it would be impossible for the other companies to compete on equal terms as long as the Cunard Company enjoyed the very large subsidy which now, in the aggregate, I believe, amounts to several millions sterling. Enjoying that subsidy, they have been able to build more expensive boats and to keep down the natural competition.

626. Looking to a very great reduction, prospectively, in the postage between this country and the United States, what proportion of the total postage would you allot to the ship?—That is more a departmental question, which the Post Office authorities could answer. I am, myself, firmly of opinion that, if the Post Office authorities were to take a decided stand they would get the mails carried to the United States for the freight of the mail bags.

627. Have you known any instance of a steamer carrying the mail from this country for the mere freight of the mail bags?—I am not aware of any instance. I know a very remarkable instance where Messrs. Burns, with great public spirit and liberality, carry the mails from Scotland to Belfast for nothing.

628. You know that to be the case?—That I believe to be the case, and I have been assured that the consequence of their public spirit in that matter was to prevent a very unnecessary and absurd outlay which was proposed for the postal subsidy for that service.

629. You are aware that, in 1867, the Cunard Company did not tender at all, and that in 1868 they refused to tender on the terms offered by the Government; what would you have done under such circumstances?—I should have left them alone; I should have treated them precisely as the United States Government treated them; they did not accept the tender which they made to them, and the Post Office of the United States made agreements with the other companies, and by and bye, very soon the Cunard Company agreed to the terms offered them by the United States Post Office.

630. As a foreign merchant in constant communication with the United States, have you any fear of the service being as regularly and punctually performed as heretofore, in the event of these contracts not being ratified?—Such an idea never entered into my mind; those companies are paying, and in past years have paid, very handsomely, and there is not the slightest doubt that all of them would keep their day and their hour, and perform their voyage with as great regularity as at present, even though they did not carry the mails under
any

18 March 1869.

any contract such as we have hitherto had with them. As I said before, I believe that when the trade was thrown open, as competition increased it would act as a stimulus to various companies to build newer and faster boats, with a view of getting a larger proportion both of passengers and mails.

631. Mr. *Graves*.] You are under the impression that the late Chancellor of the Exchequer had some private understanding with you in reference to the withdrawal of your motion; that he would in fact do his best to avoid making contracts with large companies; did he not loyally try to carry that out last year?—He did most loyally.

632. What was the result?—The result was that the Cunard Company and the Inman Company laid their heads together, and bullied the Government into taking the contract on other terms.

633. Did any other parties tender on that occasion, on the principle of ocean postage, who could have conducted the service efficiently?—I believe if those companies had been put aside, in the meantime other companies would have been got to make arrangements with the Government which would have been eminently satisfactory to the public. I have not the slightest doubt that both the British and North American Company and the Inman Company would in a very short time have done as the Cunard Company did on the other side, come to terms with the Post Office.

634. Were there any companies besides the Inman and Cunard Companies that would, in your opinion, have conducted the service efficiently under those tenders?—I understood only one other company tendered. I ought, perhaps, to correct my answer; I meant to say that only one company tendered upon the terms proposed by the Post Office.

635. Mr. *Seely*.] There was not one, I think, was there?—I think there was a German Company.

636. Mr. *Graves*.] What, in your opinion, would have been the right alternative for the Government to take, under the circumstances?—To put themselves in communication at once with the other companies, informing them that the two companies had declined to accede to the terms proposed, and asking them to make further offers in the absence of the company that had hitherto been under arrangements with the Government; in fact, to do precisely what the Government of the United States did under similar circumstances.

637. Then supposing those contracts are not now ratified, have you considered how an efficient service could be conducted?—I believe there are sufficient steamers, admirable vessels too, in the North Atlantic, apart from those companies, and that in six months we should have the communication quite as rapid as it is now, and the service conducted to the satisfaction of the public.

638. You alluded to the fact that the giving of a subsidy is virtually creating an unequal competition upon the other English lines engaged in the same trade?—Yes.

639. Has it occurred to you that foreign vessels carrying foreign mails and calling at this country for English mails would, upon your principle, have a double advantage over all English lines?—In connection with the carrying of passengers they would have a certain advantage.

640. But speaking of mails, has it occurred to you that, foreign vessels carrying foreign mails, and calling at this country for English mails, would have a double advantage over all existing lines, by the carrying of the English mails and the foreign mails?—Yes, certainly; but there is nothing to prevent foreigners sending their mails through this country.

641. But in practice they do not?—I am not aware.

642. Mr. *Hamilton*.] If you now propose to reduce the remuneration for carrying the mail bags to the ordinary rate of freight, what special inducement would there be to any of those ocean companies to come under certain conditions with the Post Office?—The conditions of the present contract are by no means onerous; I do not think the companies would require much temptation; the principal condition is that they should keep their day and their hour, and I imagine that all the large companies would do that independently of the mails altogether.

643. Mr. *Talbot*.] Is there any such limitation with regard to the Cunard Company as to the day and hour?—There is for sailing.

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W. E.
Baxter, Esq., M. P.
18 March 1869.

644. But not with regard to arriving?—No; they may take six months for a voyage if they like.

645. But that is not the case with other companies?—It is the case with regard to the present Inman contract.

646. The North German Lloyd's and the Hamburg Company have a fixed time for their passage, have they not?—Yes.

647. That is not in the Cunard contract?—That is one of the differences between them of which I, as a foreign merchant, and as a Member of Parliament, complain.

648. Mr. *Hamilton*.] You think that for the companies' own interests the public might depend on punctuality with regard to the hour of departure?—There is no question about it; the vessels of Mr. Inman kept time quite as well as the vessels of the Cunard Company, when they were unsubsidised, and I used to direct my clerks to send letters by the "City of Paris" and the "City of London," by the Inman line, in preference to some of the slow Cunard boats, and since I came to London, I have directed my clerks, looking at the last advertisements of the Cunard line, and to the fact that only one of their fast boats was advertised, not to send my letters by the cargo vessels, the "Siberia," and the "Samaria," which were advertised to carry mails on Saturday to the United States.

649. You will admit, I think, that there was no tender sent in on the last occasion precisely in the terms advertised by the Post Office?—I understand that one of the tenders of one of the German companies was very near, at all events, to the terms required by the Post Office.

650. Do you think that that arose in any way from a presumption on their part that there was a want of firmness on the part of the Post Office?—Yes, there is an impression in mercantile circles that the Post Office is not firm enough with the Cunard Company, and now that Mr. Inman has joined them, the alliance is made stronger than ever.

651. You think that if it had been understood or assumed that the Post Office would have its own terms, that tenders would have been sent in?—Most certainly.

652. Mr. *Greaves*.] Do you consider a system of fines for non-punctuality essential?—I attach very little importance to that.

653. *Chairman*.] Do you think that the non-confirmation of these contracts might cause temporary inconvenience?—I doubt that, but I should be delighted, as a merchant deeply interested in communication with the United States, to submit to a little temporary inconvenience in order to get a certain advantage in the long run.

654. Would it, in your opinion, be essential that there should be a service to Queenstown?—Yes; I believe one of the German Companies has already offered to call there, had the Cunard Company carried out their threats; that company had vessels very nearly as good, with two or three exceptions, as those of the British and North American Company.

655. I presume you consider that the Post Office in making contracts has nothing to look to but the safety and sure conveyance of the letters?—Nothing.

656. It has nothing to do with what I may term political reasons, such as sending the mails under a British flag rather than under a foreign flag?—I do not believe in any such distinction.

657. You think that all the clauses introduced into the contract with regard to carrying officers and baggage, and so on, are clauses that should not be introduced into a contract for carrying mails?—I should expunge them all as remnants of former times.

658. There can be no unfairness in a competition with the steamers which carry mails from Germany, and also mails from England?—I see none.

659. The Honourable Member for Liverpool has rather intimated that the vessels carrying foreign mails would thereby have an advantage in competition against those that only carried English mails; but you think, in laying out the contracts, the Post Office have not that to take into consideration?—No; that ought not to enter into the consideration of the Post Office; they ought to make the best bargain they can, without reference to the revenue to be obtained by the companies from other sources.

660. Mr.

18 March 1869.

660. Mr. Seely.] I think a good many contracts now come under your notice at the Admiralty?—Contracts of a certain nature, but not of this nature.

661. Supposing you were to receive five tenders for a particular work to be done, and none of the tenders conformed to the conditions you had imposed, as a man of business, would you not communicate, most likely, with the five tenderers?—Probably.

662. In the case of the tenders that were sent in, in the year 1868, five persons tendered, and none of the parties who tendered conformed to the conditions, and no negotiation was entered into, as I understand it, with any of the parties, except the Cunard and Inman Companies?—Singularly enough, this very week that case has occurred at the Admiralty, and still more singularly, the number was precisely five; five offers were sent in the day before yesterday; I declined them all; but I communicated with parties, and I had no difficulty in getting the goods on my own terms.

663. Did you communicate with all five?—Not with all five, but under certain circumstances I might have done so.

664. But if you could not have got the terms you thought were desirable from the two first parties you communicated with, would you not have applied to the others?—Certainly.

Mr. Andrew Maris; Examined.

665. Mr. Seely.] You are an American merchant?—Yes.

Mr. A. Maris.

666. I suppose you are generally acquainted with the services of the postal lines to the United States?—Yes.

667. What is your impression with regard to the value of the Cunard slow-service boats?—None at all; there is no service in them, I think; they are useless as far as postal communication goes; there was an exception this week, when a fast boat was put on, and there was an exception before.

668. Then lately a fast boat has been put on for the Wednesday service instead of one of the slow boats?—There was one the other day, but I do not think there are any others advertised.

669. And occasionally, I suppose, one of the slow boats has been put on the Saturday service?—On the New York Saturday service; last Saturday I think it was so, one that was quite useless for the purpose.

670. Then what is your impression as to an arrangement to effect an interchange of the fast and slow boats?—I think it is detrimental to commercial interests.

671. By producing uncertainty?—By producing uncertainty.

672. Then supposing you, as a merchant, had to determine this question, would you say that it is desirable to keep the two services, occasionally putting on a fast boat on the Wednesday and a slow boat on the Saturday?—Certainly not.

673. Would you prefer having only one service of fast boats on the Saturday?—Two services would be more useful if they were both fast; the slow boats are useless altogether for commercial purposes as regards correspondence.

674. You think that the Wednesday slow boats are perfectly useless?—Quite so.

675. But my question is this: supposing that you had a service in which occasionally you had a fast boat on the Wednesday and a slow boat on the Saturday, and *vice versa*; would you rather have those two services, or would you rather have one service on the Saturday, of all quick boats?—The slow boats are made useless by the fact of other companies having fast boats; the North German Lloyd's, the Hamburg and the Bremen boats, are vessels which have improved very much, but the Cunard boats have not improved, I think.

676. Have you heard any complaints of the way in which the mail service is conducted from the United States to this country?—None whatever; we find our mail matters arrive, I think, quite as efficiently by way of Southampton as we do *via* Queenstown, with less loss of time for the letters.

677. Are you aware that the United States send letters by the Cunard Company's boats?—I should say not, from the fact of our never having received one; they take up special vessels themselves; in fact, I am confident they do not.

Mr. A. Maris.

18 March 1869.

678. *Chairman.*] You have not received American letters by those boats?—No, I think they do not bring a mail.

679. *Mr. Graves.*] You say that you consider that the Cunard slow Tuesday boats are useless. I presume you refer to the London correspondence?—Yes, and to the Liverpool also, where I have a house, so that it applies to both. There is no doubt that the Cunard boats are not improved in quality or speed, I am sorry to say it, because my prejudices are all in their favour. I think that the two German Companies are surpassing them very fast, they are all English built vessels.

680. *Chairman.*] You are not personally connected with any of these lines of steamers?—Not at all.

681. Do you send any portion of your correspondence *via* Southampton?—Yes, a great deal now; as generally as by Liverpool, perhaps.

682. It would be somewhat inconvenient to you if the Queenstown service were not carried on, I suppose?—I do not know that it would; I should say not now.

683. Not as to London?—No, nor generally; I think the telegraph is doing away with the necessity of quick postal communication to a great extent; there is great delay in the steamers at Queenstown waiting for the mails; in fact, if the mails went direct (meaning to the United States) from Liverpool on Saturday it would be quite as satisfactory to the commercial community.

684. Has it ever struck you that there would be a great disorganisation of the mail service if the contracts were suddenly put an end to?—I think not; I should not be afraid of that.

685. You think that there are companies which could put on steam ships to carry on the mail service?—There is ample communication now in vessels running that would perform the service, no doubt, and I should say they are ready to do so.

686. *Mr. Hamilton.*] Do you consider the Queenstown service of much practical importance to the London correspondence?—I do not think it is; there is a great loss of time frequently; last week a Cunard boat arrived about an hour too late to catch the Friday mail from Queenstown, and the consequence was that though she got there on Friday, we did not get our letters delivered in London until Monday. I mention this most recent case to illustrate the detentions alluded to.

687. Then if the calling at Queenstown were discontinued, do you think the port of departure should be Southampton?—No, Liverpool for the Cunard boats, I should say, but Southampton for the others. I suppose it would save time if the steamers called at a lower port in the Channel.

688. *Chairman.*] In answering a question which I put, you said you thought that in any case there would be plenty of steamships to carry on the service?—Yes.

689. Do you exclude or include the Inman and Cunard boats?—I allude to the Inman, the Bremen, and the Hamburg companies; those are three companies all very efficient. Independently of that, there is a company known as the Allen Company, from Liverpool that runs to Quebec in the summer and Portland in the winter; in fact, our correspondence by way of Quebec, often reaches the northern parts of America, say Massachusetts and the New England States, quicker than by way of New York; also when the steamers go to Portland.

690. You include the Inman boats?—Yes, and I should say the Cunard boats would assist as well.

691. *Mr. Hamilton.*] You do not anticipate that the Cunard Company would refuse to carry the mails on the same terms as the other boats, if it was all thrown open?—No; but I think they all ought to be fairly remunerated.

692. *Mr. Seely.*] You say that correspondence is somewhat diminished by the fact of telegraphs being so general?—I think so.

693. And to some extent the necessity for rapid postal communication is lessened?—Yes, though consider such desirable.

694. You now receive by telegram all important information with regard to prices, the arrivals of ships, and every information which is of great importance to merchants?—Yes, the correspondence is now more a subsidiary matter than formerly.

695. *Mr.*

Mr. Frederick Rodewald; Examined.

695. *Mr. Seely.*] WERE you for any length of time in business in the United States?—Yes; for many years.

696. For how many years?—Upwards of 20 years.

697. What are you now?—I have retired from business; I am a director of the London Joint Stock Bank, and chairman of the London and San Francisco Bank, Limited.

698. Were you concerned in shipments of specie between this country and the United States?—Yes; I received a considerable amount of specie.

699. Have you found the North German line punctual and fast?—We receive our specie generally that way.

700. In preference to any other line?—In preference to any other line.

701. Have you any minutes of the time they take in their voyages?—No, I have not; we receive it on more advantageous terms; every one-eighth or one quarter per cent. is of course of the greatest importance to every banker, and it will change the current by way of Liverpool or by Southampton, and, besides that, the gaining time is very considerable; they are more regular in delivery.

702. Can you speak to the value of the cargo service on Wednesdays as a postal line?—I have been a great friend of that service for many years. It had great merit formerly, but several of the new ships which they have been building are not fast; they are built with regard to economy.

703. But my question is whether you have formed any opinion of the value to the public of the Cunard Company's Wednesday boats as a postal service?—I think their slow boats are without value.

704. Can you speak to the general feeling in the City of London with regard to the desirability of having Southampton as a port of departure for one service, at any rate, a week?—I should not like to take upon myself to say. The difference in the distance between New York and Liverpool, and New York and Southampton, is very trifling, and it is generally more convenient to receive letters by way of Southampton. As to a question which I heard asked as to the regulations of the United States, I may say that the revenue laws compel the captain to make an entry within 24 hours of arrival; he must then make an affidavit that he has delivered all the postal matter to the Post Office, and in virtue of that he has to exhibit a post office receipt before he is allowed to enter. At least that was the regulation, and I have no doubt so sensible a rule is still continued.

Mr. James Robinson; Examined.

705. *Mr. Seely.*] ARE you a Director of the National Steam Ship Company?—Yes.

706. Did you tender for the conveyance of mails from this country to the United States in the year 1867?—Yes.

707. And again in 1868?—Yes.

708. Have you lately made another tender?—Yes, within the last two or three days.

709. What were the terms of that tender?—To carry letters at the rate of 1 *d.* per ounce, in order to enable the Government to charge a penny a letter.

710. By a penny a letter, do you mean a penny a letter from any part of this country to any part of the United States?—Yes.

711. What number of vessels have you?—We have nine vessels.

712. Can you speak as to their speed with regard to the Cunard boats?—They are not as quick as the Cunard mail boats; some of them, perhaps one or two, are hardly as quick as the others, but the average vessels are as quick, and rather quicker, than the cargo boats of the Cunard Company, and as quick as most of the old Inman boats; not equal to the new and better class of the Inman boats.

713. Are you authorised on behalf of another line to offer another weekly service on similar terms?—Yes; I am authorised by Mr. Guion to say that he would take the same terms or run with the ocean postage alone; he desired me to say that he would have made that tender to the Government, but the notice

Mr. F. Rodewald.

18 March 1869.

Mr. J. Robinson.

Mr. J. Robinson.
18 March 1869.

being only for one year, and his fleet not being quite ready, he waited for another year, and was quite astonished to find that the contract was to be carried on for eight years. He said he had written a letter yesterday.

714. He is not well, I believe?—No, or he would have attended to day.

715. How many vessels has he?—He has five at sea and another very nearly completed.

716. Are they fast boats?—They are not equal to the Cunard boats or the best of the Inman boats.

717. Are they equal to the slow cargo boats?—Yes, they are quicker than the slow cargo boats.

718. Would those six boats be able to perform one service a week?—Six boats would perform a service a week, but I think they ought to have seven to make themselves comfortable in the way of regularity, because accidents might happen with a vessel.

719. I think in your tender to the Post Office you say that in case fixed subsidies are discontinued the Directors of your Company would build more boats and faster boats?—Certainly.

720. So as to perform the voyage on the terms you mentioned in as quick a time as any other vessels?—I have no doubt if subsidies were discontinued that we should all of us build quicker vessels; the tendency always is to build quicker vessels, and we should in a few years be running quite as quick cargo boats as they do now mail boats, but while a large subsidy exists people do not like to venture on the expense. We have to make up for the subsidies by increasing the carrying power and running at rather a lower rate of freight.

721. Your company are extremely desirous to see the penny postage established?—Yes, certainly.

722. Is the number of steamers which travel between this country and the United States increasing rapidly?—Very fast, indeed; I should say there is double the number of vessels running that there was six or seven years ago.

723. Is the speed increasing?—The speed has very much increased for the cargo boats, and it is rather, if anything, diminishing on the part of the very quick boats, because the subsidies being reduced they have to build vessels with greater regard to what they can carry, and therefore with not quite the same power; there is no vessel built yet which is quicker than the "Scotia," which must have been built eight or nine years ago. If the subsidy had been maintained at the same rate, I have no doubt the Cunard Company would have built a ship or two quicker than the "Scotia."

724. Mr. Talbot.] Speed is very much a matter of expense, is it not?—Very much; we are very much in the infancy of steam; some 20 years ago, it was a matter of how much indicated horse power you *could* put into a vessel to go at a given rate of speed, and that took up nearly the whole of the carrying capacity of the ship. Now you have a diminished consumption of coal and you have increased the carrying power by the great improvements in the designs and models of vessels: you are now getting cargo boats in the Mediterranean which are nearly as quick as any of the mail steamers; there are three or four built for Messrs. Biby.

725. What is the speed of your line, the "France" and "England," and those ships?—The "France" makes 10 knots an hour, she made 12½ knots at the measured miles at sea.

726. How many tons of coals does she burn in 24 hours?—About 61 tons; she is a very large ship.

727. Mr. Seely.] Would the boats, in your opinion, start regularly, and keep good time even though they were under no penalties?—They would start regularly, quite irrespectively of penalties, but if you had no penalties for the time of performing the contracts, of course there would be a greater disposition to substitute cargo boats for boats that cannot run at a profit without subsidies. Now, many of those boats of Messrs. Cunard's, but this is merely my opinion, it would be impracticable to run at a profit, except with subsidies.

728. The amount received for cargo and passengers is much more important than what is received for the mails?—Infinitely.

729. Still, I suppose, in your opinion, having a large subsidy enables the party receiving it to underquote the rates of freight by other lines?—It is not only that; but it is so unsatisfactory for other lines to build steamers and in-
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crease their freights if you have got to contend with subsidised companies, for there is always a belief that if they do not pay, the subsidy will be increased, and that the Government may go into partnership, as they have done with the Peninsular and Oriental Company.

730. Then the effect of fixed subsidies is to prevent competition?—Very much.

731. And therefore, I suppose, to some extent, to prevent those who are subsidised from improving so rapidly as they otherwise would do in their vessels?—I think so; the Cunard Company are very slow to improve from that reason.

732. Can you speak with regard to the opinion of the Liverpool Chamber of Commerce on this subject?—They have several times given an opinion that subsidies ought to be done away with. I have a copy of one of their last reports, a published report of the 12th December 1866, in which one of the paragraphs is: "It is believed that in most cases steam packets would now be prepared to carry mails for 1*d.* per letter, but if deemed important for State reasons that subsidies, with reserved Governmental rights, should be continued (upon the policy of which no opinion is now expressed), it is submitted that the extra cost so involved is fairly chargeable, not to the Post Office, but to the account of the Navy, or other defensive service. The understood requirement that the Post Office should be self-supporting is fully kept in view; but, at the same time, it is submitted that the revenue raised from the Post Office, after defraying its own charges, should only be incidental, and that public convenience should not be sacrificed thereto." I do not know that that report directly states it, but there has been some communication within the last month or two between the Chamber of Commerce of Liverpool and the Government, urging on them the reduction of the rate of postage, which would require the doing away with subsidies.

733. When you offered to carry letters for a penny an ounce, it was objected that two rates of postage would be inconvenient; can you see any reason in this objection?—I think it would be very inconvenient, because we should carry 90 per cent. of the letters with the two rates of 6*d.* and 1*d.* A great portion of the letters would go by the cheap post, even though it did take a day or two longer. Important letters are very much interfered with by the telegraph, and even the number of letters that do pay 6*d.* hold a very small proportion to the actual correspondence that goes on in America. We have got some returns on that subject from the American people with regard to the number of letters, and we find that the quantity sent to Ireland is nearly as large as that sent to England; and most of them are not business letters, but emigrants' letters, and so on.

734. Your idea is, that if the Post Office is not inclined to reduce the rate generally to 1*d.*, there should be two rates?—Yes.

735. One at 1*d.* and the other 6*d.*?—Yes; I think that would satisfy the Government very soon that there was no necessity for a sixpenny rate at all.

736. Then the merchants and bankers and so on would send their letters by the sixpenny rate, and the poorer class of people who communicated with the United States would send by the 1*d.* rate?—Yes; but our opinion is that you would have a 1*d.* rate altogether immediately; in answer to the former questions I think that, in reference to Messrs. Cunards' former contract, Mr. Inman has often explained very clearly that the subsidies were very hard upon him. In case of change there would be a little inconvenience for a time, because it is not likely that gentlemen would change from what they have said so very rapidly as not to occasion some little inconvenience.

737. I almost gather from what you have said, that you object to the present arrangement, because, in your opinion, the 105,000*l.* a year seems to be paid for the benefit of the richer portion of the community?—Certainly, and we also object very much indeed, because, soon after our company was started, the Cunard Company were carrying goods by their mail boats at 10*s.* per ton freight to New York much less than our rates, and they are frequently less than our rates.

738. Have you had any communication from the Postmaster of the United States with regard to the penny postage?—Yes, from one of the managers at New York after the Government here had refused to propose it. We communicated with the Postmaster of New York through him, and Mr. Guion has also communicated with him, and the answer is, that if our Government is ready, they will be very glad to accede to it.

Mr. J. Robinson.

18 March 1869.

739. The Government attach one condition to the contracts, in many cases, that their vessels shall be taken from the company in the time of war; would that be any great hardship?—Not the slightest. I do not think that there is a company in the kingdom that would not let the Government have their vessels in time of war.

740. *Chairman.*] Your steamers have never been taken up by the American Government to convey mails?—No.

741. Nor Mr. Guion?—Nor Mr. Guion, I think.

742. Do you know whether any of the Cunard boats have been taken up to convey the American mails?—No; the American Government have made offers of terms to steamers for three days a week, and, of course, they chose the three best lines; one was the North Bremen; the second, I think, was the Inman, and the third was MacIver's, and they pay about 5 *d.* an ounce, which is rather less than one-half of what our Government offers.

743. Then the view of both Governments at present, we may say, is to have a quick communication, and not to use the slow boats?—I think the view was that the three mails a week was sufficient, and they took the quickest three they could get, and the objection to Mr. Guion, a month or two ago, was that his line at the time was not complete; the formation of a line of steam ships is a matter of some years and some little money.

744. Supposing these contracts were not to be confirmed by Parliament, and that Messrs. Cunard & Inman declined to enter into fresh contracts with the Government, do you think that there would be much inconvenience to the commercial community in the carrying of letters for a time?—I think if the Inman and Cunard Companies positively declined there would be a little inconvenience for a time.

745. There would be no fleet of steam ships at Liverpool at all fit to take their place?—I do not think there would be. I think, at the same time, that if the Government were to put out a notice, or that there was an arrangement with the United States to reduce the postage to a penny, the commercial community would be satisfied.

746. That could not be done without a twelvemonth's notice to the American Government to close the ocean convention?—Not without their consent.

747. But, taking the convention as it stands, it requires 12 months' notice to close it?—Practically speaking, you would not have very much difficulty, if neither the Cunard Company nor Mr. Inman carried letters, because you would have a regular mail once a week by the North German Lloyd's from Southampton; and those boats are quite as good as MacIver's mail boats; they are first class boats, built within the last two or three years at Glasgow. You have also another service, alluded to by Mr. Maris, the Allan line to Quebec, which runs to Portland in the winter time, which is also a mail service. They are peculiarly good boats, as good as the MacIver mail boats; but with that double service a week there would not be much inconvenience.

748. Mr. *Seely.*] Then there is the Hamburg Company?—That is not at present carrying letters.

749. *Chairman.*] They are not touching at England?—No, but you might get them round.

750. You say that half the letters are for Ireland; those are letters coming from America?—Yes.

751. You do not know about the letters going to America?—We believe that a large portion of letters going between England and America are not business letters at all, and that of the proportion that remain of the business letters, more than half of them would go at the reduced postage of a penny, even though the boats took two or three days more to carry them.

752. I understand Mr. Hill to say that he was of opinion that the reduction of the ocean postage had not so much influence on English letters as rapidity and regularity of delivery?—I think he is right, to some extent, but that he is wrong in his inference. A reduction from 1*s.* 6*d.* to 1*s.*, or from 1*s.* to 6*d.* would have very little result, because it would still confine correspondence to what are called necessary letters, business letters, and so on. Even in our own country the reduction of the postage never had very much effect until we went down to the Penny Postage, and then we found an enormous increase.

753. You

341

753. You think there would not be, practically, any inconvenience from two rates of postage?—I cannot see the practical inconvenience. The practical inconvenience is this, that instead of making out a loss on a sixpenny rate of 20,000 *l.* or 30,000 *l.* a-year, if to one company you pay 100,000 *l.* a-year, you find a loss on the sixpenny rate of 80,000 *l.* The inconvenience would be in the reduction of the number of sixpenny letters.

Mr. J. Robinson.

18 March 1869.

Friday, 19th March 1869.

MEMBERS PRESENT :

Mr. Dent.
Mr. Graves.
Mr. Greaves.

Mr. E. T. Hamilton.
Sir Massey Lopes.
Mr. Seely.

JOHN DENT DENT, Esq., IN THE CHAIR.

Stephen Barker Guion, Esq. ; Examined.

754. Mr. Seely.] ARE you the Chairman of Guion's Company, owning a line of steamers running between this country and America?—Yes; known by the name of the Liverpool and Great Western Line.

S. B. Guion, Esq.

19 March 1869.

755. Have you made any comparison between the speed of your boats and Messrs. Cunard's boats sailing on Tuesday?—Yes; we sail with them, or against them, on Tuesday.

756. *Chairman.*] Those are the cargo boats?—Yes.

757. Mr. Seely.] Will you tell the Committee what have been the performances of your boats?—We had 24 sailings from Liverpool to New York last year, from April to the end of the year; Cunard's sailed occasionally to Boston and occasionally to New York.

758. Will you tell the Committee what difference there was, if any, in the speed of your boats as compared with the Cunard boats?—I could only give the days of arrival, without regard to the hours or minutes of arrival.

759. Will you give the days of arrival?—Of the 24 sailings, seven were favourable for us; we beat them by a day, whether they sailed to Boston or New York; four of their passages were better than ours. In one passage we had a breakdown, and we went with one engine only, half the passage, and other passages were a day shorter than ours; the other passages were just the same, so that we were about equal speed.

760. Does it take longer to go from Queenstown to Boston than to New York?—It is about 18 hours' shorter sea passage to Boston.

761. In how many cases did the Cunard Company go to Boston?—There were 13 passages to Boston within that time.

762. Did all your boats touch at Queenstown?—Yes.

763. You have no contract with the Government to carry mails;—No.

764. You touched at Queenstown for your own interest?—Yes; for our own purposes.

765. Supposing you had to call to Queenstown simply to get the mail-bags, would there be any extra expense in consequence?—It would cost about a 10 *l.* note over the charges we incur per annum.

766. Is there any risk in going to Queenstown?—There is a risk, going in and out of the harbour.

767. Do you pay any extra insurance for that?—No.

768. How many vessels have you?—Five, running now; we shall have six in the beginning of next month; in April.

769. Can you give the Committee the tonnage of those vessels?—About 2,000 net; 3,000 gross tonnage. When I say net, that is net, independent of engine space; that is what we pay dues on.

770. Are you building any more vessels?—We shall have one completed by the beginning of next month.

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771. Are

S. B. Guion, Esq.

19 March 1869.

771. Are you prepared to build any more?—We shall go on building for the service.

772. Is it probable that your ships which you will build in future will have greater speed?—Yes.

773. Upon what terms would you be prepared to carry the mail bags to New York, touching at Queenstown?—I should be very glad to assist in an inauguration of a penny postage.

774. What proportion of that penny postage would you require for sea postage?—Half for the sea postage; my idea was a penny per half ounce for the Post Office to collect, the carrier being paid one penny an ounce.

775. You would be satisfied with one penny an ounce?—Yes.

776. Is it your opinion that subsidies paid to a particular firm would enable that firm to quote less rates of freight than other ship companies?—They have a gratuity, which we, without subsidy cannot get, of course.

777. Do you start regularly, and go as quickly as you can, though you have no subsidy, and carry no mail bags?—We go as fast as we can.

778. And go regularly?—Yes; we have a tidal service from Liverpool.

779. You consider that it is your interest to do so?—Certainly.

780. Do steamship companies give notice, some days before their vessels sail, of the day and hour when they will sail?—Yes, we issue notices a week ahead of sailing.

781. You do?—All companies do.

782. Therefore a company could not start before the hour and the day named?—No; on account of their passengers they could not do that.

783. Supposing there were two rates of postage, say a penny and sixpence, have you any idea what proportion of the letters would go at a penny?—No; but I would be satisfied with the penny arrangement against sixpence; giving the fastest boat the sixpence.

784. Mr. *Hamilton*.] As you do not carry the mails, what is your inducement to touch at Queenstown?—Passengers.

785. Therefore you would not consider it an onerous condition to have to touch at Queenstown?—No.

786. Sir *Massey Lopes*.] Do you take emigrants?—Yes.

787. Mr. *Greaves*.] Did you tender?—No, we were invited to tender for the year only, and we were not prepared for that service at that time; but if we had been asked to tender for eight years we should have tendered.

788. *Chairman*.] You were invited to tender last year for the service of this year?—Yes.

789. And you did not send in any tender?—No.

790. Had you at that time a fleet of steamships that were qualified to carry the mails?—No, we could not have performed the weekly service; we would not be ready till April.

791. A question was asked you about emigrants; do not all the steamers now take emigrants?—Every steamer, except the "Russia" and "Scotia."

792. Mr. *Seely*.] You have ships now, or you will have in April, quite sufficient to perform the weekly service?—Yes.

The Marquis of *Hartington*, a Member of the House; Examined.

The Marquis of
Hartington, M.P.

793. *Chairman*.] YOU are the Postmaster General, under the present Administration?—Yes.

794. On what day did you commence the duties of your office?—I cannot remember exactly.

795. You found the present contracts concluded before you came into office?—I did, so far as they could be concluded by the Government.

796. Therefore you had nothing to do with the making of the contracts, personally?—No, nothing.

797. Can you give any reason why those contracts were not placed on the table of the House before the 2nd of March, the execution of the contracts having commenced on the 1st of January?—I am afraid I cannot answer that question; I think you would probably get any information on that point from the Treasury; up to the present time the Postmaster General has never had a seat in the House of Commons, and, in consequence of that, all the House of Commons'

The Marquis of
Hartington, M.P.

19 March 1869.

Commons' work connected with the Post Office has always been conducted by Secretary to the Treasury; I was not myself in the House of Commons till, I think, the beginning of March, and, therefore, the Parliamentary work in connection with the Post Office was conducted in the same way, and probably there may have been some little delay that I cannot account for in laying those contracts on the table of the House; as to their commencement on the 1st of January, of course they could not have been laid on the table of the House till the House met in February, so that if there has been any delay, it has not extended beyond a fortnight.

798. What is the rule now with respect to laying postal contracts on the table of the House; how soon is it required that they should be laid on the table of the House after they have been executed by the contracting parties, or is there any definite rule upon that point?—I have not been able to ascertain that there is any rule; I think, in practice, they are laid upon the table of the House as soon as they conveniently can be.

799. You were requested to attend this Committee to produce certain papers which the Committee understood could not be produced without your concurrence; do you produce those papers?—I should be most unwilling to withhold from the Committee any information, the production of which they think necessary in the prosecution of this inquiry; but I must say I think it would not be for the advantage of the public service to lay before the Committee the papers which have been asked for. My objection is on general grounds; they are memoranda and official Minutes which were written for the information of the Postmaster General. I do not go so far as to say that there exists in any public office an absolute rule, that such official memoranda should not be made public; but I think it is a practice, which has been, and which ought to be, as much as possible discouraged. The official Minutes are written, or ought to be written, solely for the use of the head of a department; and it is desirable, in my opinion, to encourage the servants of a department to write in the freest and most open manner upon any subject on which they are asked to give their opinion. Now, I think, if the practice were introduced of making public such documents as those, it would be very difficult to induce public servants to write with the same freedom as they do now. There would be a temptation, at any rate (how far it would operate I do not know), to write not merely their own views for the information of the head of the department, but to write what might be, when published, agreeable to one of the rival political parties, or to some person outside the department. For those reasons, I believe, the production of such Minutes has generally been refused; and I think it is very undesirable that that rule should be broken; I should explain that there may be cases in which an official memorandum, when adopted by the head of a department, may be the most convenient way of laying before the House, or a Committee of the House, the views which are entertained by the department; but these memoranda, which have been asked for by the Committee, are of a somewhat controversial character. As you will have already heard, there has existed a difference of opinion in the Post Office with regard to the policy of these contracts; Mr. Hill has written a memorandum against them, and Mr. Scudamore has written a memorandum in favour of them; if I produced what has been asked for, I should also have to produce other memoranda which have been written by Mr. Tilley; and I think I ought also to produce a Minute which was written by the late Postmaster General, adopting the views of Mr. Scudamore and Mr. Tilley; I also venture to think that those memoranda are not necessary for the information of the Committee; any statements of fact which the Committee may desire to have, I think can be obtained from the office in another shape, either by examining Mr. Scudamore, or by asking for any return the Committee think necessary; and as to statements of opinion, I venture to think the Committee can obtain the different opinions that are held by the Post Office officials as well by examining them themselves as they could by the production of those memoranda; for these reasons I must say I should very strongly object to laying before the Committee the papers which have been asked for.

800. That refers, I think, to the first papers which you were asked to produce?—The papers asked for were a memorandum from Mr. Frederick Hill to Mr. Tilley, dated the 24th October 1867, with reference to the mail contracts for 1868; a memorandum from Mr. Frederick Hill to the Postmaster General, 24th December 1868, with reference to the mail contracts now before the

The Marquis of
Hartington, M.P.

19 March 1869.

House; that was a short memorandum which Mr. Hill prepared for me immediately on my acceptance of office on this subject, and really contains very little that was not in the former memorandum; then I am asked to produce any other memorandum or minutes relating to the contracts for 1868 or 1869.

801. These, I take it, your Lordship considers to be confidential documents from a subordinate in a department addressed to the head of the department containing his views on the matter in question?—Written for the information of the head of the department.

802. And, on those grounds, that they are confidential, and that it is desirable not to do anything which might have the effect of preventing subordinates from writing as freely as they might do, you decline to produce those documents to the Committee?—Exactly so; the other papers asked for are “any minutes or correspondence with the Treasury with respect to these particular contracts not laid on the table of the House.” I do not think there is any such correspondence; there may be a few letters which I promised to lay on the table of the House two or three days ago which are not yet printed; there is no objection to completing the whole of the official correspondence.

803. With respect to the evidence given by Mr. Frederick Hill and Mr. Pearson Hill, they did not appear here to represent the official opinion of the Post Office?—Certainly not.

804. They appeared here expressing their individual opinions, based on their experience in the Post Office?—Certainly.

805. Mr. *Hamilton*.] I think your Lordship referred to a Minute by the late Postmaster General?—I said if I produced any of the memoranda which have been asked for, I think I ought also to produce that.

806. Would there be any objection to the production of that Minute, because that would not be open to the same objections your Lordship has pointed out with respect to the production of memoranda from subordinate officials to the head of the department?—It would not be open to the same objection; I think, perhaps, I ought to obtain the sanction of the Duke of Montrose before that Minute, which was not written for publication, was produced. I should think the Duke would have no objection whatever; but the substance of it is embodied in the letter to the Treasury which is before you.

807. Was it a minute for the use of the Post Office, or was it addressed to the Lords of the Treasury?—It was a minute directing the letter of the 12th of October to be written, No. 8, in the Parliamentary Paper, entitled, “Copy of all Correspondence between the Postmaster General, the Treasury, and parties tendering for the conveyance of mails between this country and the United States, in continuation of Parliamentary Paper, No. 42, of Session 1867-8.”

808. It is clear that it stands on different grounds from those *quasi* confidential communications from officers in the department to their superior?—That minute refers to the memoranda which I have declined to produce; and, therefore, I think it would not be of much use to the Committee, unless accompanied by the previous memoranda; the purport of it is to sanction the course which is proposed to the Treasury in that letter, and the letter gives you, I think, everything which is essential.

809. Would it be looked on as a public document, or as a document of a confidential character, and to be retained in the office?—I should say it was a document of a confidential character.

810. *Chairman*.] I see the Contract Committee recommend that a contract, when executed, should at once, and without waiting till a Vote be taken upon it, be laid on the Table of the House; the change of Government may have had something to do with the delay in placing that upon the Table of the House, I presume?—The delay may very probably have arisen in consequence of the negotiations going on with Mr. Inman for a change of the day of sailing.

811. Sir *Massey Lopes*.] Would not the fact of your not being in the House at the beginning of March account for the delay in putting that contract on the table of the House?—I am afraid that that fact may have led to some little delay, because, as I have said, under the old system the Treasury managed all the Post Office business in the House of Commons. Under the altered circumstances the Treasury would naturally expect that I should undertake all the House of Commons business, and between the two there may have been some slight delay.

Frank Ives Scudamore, Esq. ; Examined.

812. *Chairman.*] WHAT position do you hold in the Post Office?—I am one of the Secretaries of the Post Office. *F. I. Scudamore, Esq.*

813. How long have you been in the service?—Since March 1840.

814. What other positions have you occupied in the Post Office?—In 1855 I was promoted to be Chief Examiner in the Receiver and Accountant-General's Office. I was made Receiver and Accountant General in 1856, and Assistant Secretary in 1864. 19 March 1869.

815. You have been employed in carrying out several new undertakings for the Post Office?—Yes, I have been concerned in carrying out the Post Office savings banks and insurance and annuity schemes; and I have been recently employed in carrying out the transfer of the telegraphs to the Post Office.

816. Were you concerned in the packet contracts before the contracts of 1867 and 1868?—No.

817. Are you acquainted with the circumstances which led to the contracts now before the Committee?—I am directed by Mr. Tilley, the Secretary to the Post Office, to explain the circumstances which led the late Postmaster General to recommend, and the late Chancellor of the Exchequer to authorise, the execution of the contracts.

818. You appear as the official exponent of the reason for entering into those contracts, so that we need not summon the Duke of Montrose; you take the responsibility for the Post Office?—I do.

819. Mr. Frederick Hill stated yesterday that the principles upon which the postal packet service was to be conducted by the Post Office were laid down in a Treasury Minute of the 16th April 1860?—Are you acquainted with that Minute?—I am; that is printed at page 469 of the Appendix to the Report of the Committee on Packet and Telegraph Contracts in 1860.

820. Do you consider that the Post Office is bound to frame its contracts in accordance with the terms of that Minute?—It is not necessarily bound to do so, but only to conform to the principles of the Minute as far as practicable.

821. What were those principles?—They were that the service should be, as far as possible, self-supporting, that long contracts should, as far as possible, be avoided; and that it would be preferable to secure the performance of the service by adequate, but not excessive, penalties.

822. Did you consider that the Treasury, in laying down those principles, expected the Post Office to conform to them as far as possible?—Yes, undoubtedly the Treasury intended the Post Office to conform to them as far as possible; but the Treasury took care, in the Minute itself, to show that it did not desire to lay down any hard and fast line whatever. I will quote a passage, which is very short, which will show this; they say, "As regards the important question of the principles upon which mail packet contracts are to be made in future, my Lords would observe, with reference to the Postmaster General's letter of the 25th January, that it appears premature to attempt to lay down any very positive rules"; the general principles applicable to the subject are fully and ably stated in the Report of the Committee of 1853, presided over by Lord Canning; but experience has shown that those principles have been in many subsequent cases totally disregarded; the Committee of the House of Commons, who are now sitting, will doubtless throw further light upon the manner in which these contracts have been, and ought to be made, and make important recommendations as to the nature and extent of the control to be exercised, in future, by Parliament; still it appears to my Lords that, from the very nature of the case, the responsibility of arriving at a right decision must rest mainly with the Executive Government, and be decided in each instance upon its own merits, with a view of arriving at the best result for the public service under existing circumstances; accordingly, in making a few observations on the principles laid down in the letter of the Postmaster General of the 25th of January, my Lords must not be understood as attaching any undue importance to abstract principles but simply as indicating some of the leading considerations which it will be desirable, as far as circumstances may admit, to keep in view."

823. In effect, the Post Office were to act on those three principles, but they were not to risk the public service by adhering to them, as you say, as a hard and fast line?—That is the conclusion which I draw from that passage, and I think,

F. I. Scudamore,
Esq.

19 March 1869.

think, also, the Treasury clearly meant their Minute to be subordinate to the Report of the Committee then sitting on contract packets.

824. You are, of course, familiar with that Report?—Yes.

825. The Committee make a remark with regard to these very services, which we are now considering?—Yes; they said, “Your Committee cannot conclude their Report without recording their opinion that it is quite practicable to dispense with large subsidies in cases where ordinary traffic supports several lines of steamers, and 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.”

826. What conclusion do you draw from that opinion, as to the views of the Committee?—I consider that the Committee were desirous to reduce the subsidy then paid, not that they desired to annihilate subsidies altogether.

827. You think then that their observation was levelled only at the amount of the subsidy?—I judge so, from their use of the word “large.”

828. You take the words “no such subsidies” as meaning “no large subsidies”?—Yes.

829. You do not read it as “no subsidies”?—Certainly not; I connect the word “such” with the word “large.”

830. Do you draw the conclusion, that the view of the Committee was not that there should be no subsidies, but that they should not be large subsidies, from any other part of their Report?—I think that they did not intend to lay down a hard and fast line, from the following passages of their report: They say, as regards the renewal of existing contracts “It is hard to reconcile the two important considerations of economy and efficiency: while on the one hand it is the duty of Government to secure the performance of a service at the least expenditure, on the other a department responsible for the performance of a duty is reluctant to risk the chance of change, and anxious to secure the service of those who have performed the duty long and well, and in whom they have confidence. We are not prepared to lay down any general rule, but we are of opinion that the practice of renewing contracts to existing owners has been carried to an extent which should no longer be sanctioned. 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 contractors should be bound to perform the service under heavy penalties. Your Committee have not had sufficient evidence before them to enable them to give a decided opinion upon the first of these proposals. We doubt much the expediency of running contracts terminable at a short notice in all cases; but there are exceptional instances in which they may be advisable. With respect to the proposal to abandon precautions as to inspection, and regulations as to the fitness and number of steamers to be employed, we would consider that great caution is necessary; and as to surveys for ascertaining the sufficiency of vessels and their engines, we are of opinion that recourse should be had, as hitherto, to the Admiralty, rather than, as now proposed, to the Board of Trade; the system of laying on heavy and absolute penalties has been tried; but the result does not warrant us in giving our sanction to the abandonment of the precautions hitherto taken to insure that the contractor should at least have adequate means for the performance of his contract.”

831. What are the inferences which you draw from the passages which you have read?—I think that the Committee had not formed an opinion with respect to the propriety of making payment by sea postage, and that the balance of their opinion was against running contracts terminable at short notice. I think, moreover, that they would rather have been inclined to place reliance upon the proved efficiency of contractors than upon any penalties which they could have imposed upon them.

832. But that Committee recommended that the Admiralty survey should be still continued?—Yes.

833. That,

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833. That, I think, the Post Office have given up?—It was given up before the North Atlantic service commenced.

834. Mr. Frederick Hill told us, yesterday, that the Committee over which Lord Canning presided in 1853 made a recommendation that, as far as practicable, the payment for packet service should rise and fall with the number of letters conveyed; that it should not be a fixed sum, but a sum varying with the number of letters?—Yes; I presume that Mr. Frederick Hill refers to this passage: "In some cases the conveyance of the mails might be advantageously provided for by a payment bearing a certain proportion to the estimated amount of the postage rested or based upon the actual weight of the bags carried."

835. Do you infer from that that Lord Canning's Committee meant to recommend, absolutely, that payment should be made by sea postage?—No; I think that they simply meant that the payment should be proportioned to the work done. I do not hold that they even intended to recommend the payment of, merely the whole postage, or less than the postage; they might possibly have thought that, under the circumstances, more than the postage might be paid.

836. Had the recommendation of Lord Canning's Committee ever been acted upon up to the date of the Treasury Minute of April 1860?—Never; if you refer to the Report of the Committee on Contract Packets you will find that they quote a memorandum from Mr. Stevenson of the Treasury, in which he states, "I may observe that the principle of providing payment for mail services by giving up the sea postage to the parties carrying the mails has been frequently urged by the Postmaster General, but has never been acquiesced in by the Treasury;" and I contend from that that the recommendations of Lord Canning's Committee had never been carried out, and that the Treasury Minute of 1860 clearly did not indorse that part of them.

837. You think that, up to that time, no hard and fast rule had been laid down for the guidance of the Post Office in the making of packet contracts?—I do; I think that we have been instructed to do our best to make the service self-supporting; to do our best to avoid long contracts; to make the best provision we could for the accommodation of the public without adhering strictly to particular rules or abstract principles.

838. You say that the Post Office were expected to do their best to make the services self-supporting; do you not think they were absolutely bound to make the services self-supporting?—No; on the contrary, we received a very strong hint from the Parliamentary Committee on East Indian Communications in 1866, that we must not too rigidly attempt to make important services self-supporting.

839. Can you shortly refer the Committee to any part of their Report which will justify that statement?—The Committee on East Indian Communications inserted this paragraph in their Report: "Your Committee cannot assent to the doctrine that interests so important from every point of view, whether political, social, or commercial, as those which connect the United Kingdom with the largest and most valuable possessions of the Crown, should be protected by an insufficient postal source, because the establishment of an efficient service might leave an apparent loss of no great magnitude to be borne by the two countries. They submit that a question of profit or loss, within reasonable bounds, is a consideration entitled to little weight in the case of so important a postal service as that between England and India."

840. What inference do you draw from the passage you have quoted?—The inference that the Committee were disposed to set efficiency of postal communication between England and India above fiscal considerations, and were not disposed, in that case, to lay down the hard and fast rule that the service should be self-supporting.

841. Have you any idea of the value of the exports and imports between this country and America?—I believe that it is now very nearly as great as those to which the Committee on East Indian Communications referred in the outset of their Report.

842. You say that the Committee on Contract Packets expressed a doubt of the expediency of running contracts terminable at a short notice in all cases; has not the Post Office been instructed to endeavour to make contracts terminable at short notice?—There is no doubt we have been instructed that short contracts are desirable; but we certainly have not been instructed always to avoid contracts for terms of years; on the contrary, we have been desired to consider

F. I. Scudamore,
Esq.

19 March 1869.

F. I. Scudamore,
Esq.

19 March 1869.

whether, in the case of the very contracts now before you, contracts for terms of years were not advisable.

843. Can you refer us to any instructions which you have received on that point?—The printed papers now before you contain an instruction of this kind. I am referring to page 24 of the Parliamentary Paper, No. 42, containing the contracts of 1867. On the 13th of June 1866 the Lords of the Treasury wrote a letter to the Postmaster General, by Mr. Childers, the first paragraph of which ends as follows: “It appears to my Lords to be deserving of careful consideration whether the arrangements to be made with the owners of such steamships should not be made binding on both parties for terms of years. And also, with a view to prevent any misunderstanding hereafter on the part of the owners of such ships, whether it should not be distinctly stipulated that the whole of the letters accruing on a given number of days will be sent by the vessel or vessels the subject of such arrangement.”

844. The last sentence has nothing to do with the preceding one with respect to the arrangements being made binding on the parties for terms of years?—I only read it because it is a continuation of the same paragraph.

845. What is the conclusion which you draw from the passage you have just read?—I draw the conclusion that the Treasury at that time were not decidedly hostile to contracts for terms of years.

846. *Mr. Hamilton.*] The latter part of the paragraph which you have read shows that the Treasury were desirous of securing something like a fixed remuneration to the contractors?—I do not pretend to infer that they proposed to pay by subsidy, irrespective of postage; but that they wished, by allowing accumulations of letters, to enable the contractors to look forward to a certain amount of remuneration.

847. *Chairman.*] Do you not think that those sentences, taken together, imply the desirability of considering, first, whether the contracts should not be for a term of years; and secondly, whether the payment should not be by results, the results to be attained by having fixed days for starting, so that each contracting party might obtain a fair share of the postage?—When you come to read the answer to that, you will see that the Treasury were clearly understood to mean that to each contractor should be guaranteed the letters accruing on particular days, which of course would give the contractor, on the average, something like a fixed remuneration; not in the nature of a subsidy.

848. The postage varying with the amount of letters sent?—Yes.

849. And not in any respect a fixed payment?—Undoubtedly. I do not think it meant to give a fixed payment, but simply to give him some sort of a guarantee that, within a certain range, a certain amount would come to him.

850. Did the Post Office act upon the suggestion of the Treasury, with respect to contracts for terms of years?—No; in July 1867 the Postmaster General replied to the Treasury in these terms: “I cannot, however, advise that either of these suggestions should be adopted, as I think that they would occasion inconvenience and embarrassments to the department. It is very desirable that the department should be left as free as possible, in order that it may be at liberty to make use of any new line of steam vessels that may be established to run between this country and New York on regular days; and it would, I think, be objectionable to bind the department to send all letters in the office on a given day by any vessel, whatever its character, which the contractors might provide to sail on such a day, as the department might be aware that a vessel appointed to leave a day or two later would, in all probability, arrive in New York at an earlier period.”

851. *Mr. Seely.*] Who was the Postmaster General?—The Duke of Montrose.

852. Who was the Postmaster General at the time the letter of the 13th of June, 1866, was written?—Lord Stanley of Alderley.

853. *Chairman.*] The Post Office in July 1867, had made up its mind to endeavour to take contracts, but not contracts for terms of years, for the conveyance of the mails to America?—Certainly.

854. And also proposed to be as free as it possibly could with respect to the amount to be paid to the contractors?—Certainly.

855. Did

855. Did it, in accordance with that view, in July, 1867, call for tenders for the conveyance of the mails?—It did.

856. Did it obtain satisfactory tenders?—No, it was compelled to enter into a temporary arrangement, which was very fully discussed in the House of Commons last year, and which came to a close at the termination of last year.

857. Those tenders led to the contracts for the year 1868?—Yes.

858. Did the Post Office, in the course of last year, again invite tenders for the conveyance of mails to America?—It did.

859. Upon what principle did it then propose to act?—It proposed, if possible, to make the service self-supporting; it proposed, if possible, that the contracts should be terminable at six months' notice; but of course it, at the same time, desired to have that service, which it considered best for the community of this kingdom generally.

860. What was the nature of the tenders for which the Post Office called?—It called for tenders for taking the mails from Queenstown to New York at a rate for every ounce of letters, a rate for every pound of newspapers, and a rate for every pound of patterns, or packet of patterns, and with penalties for delay.

861. Why did you invite tenders for conveyance of the mails from Queenstown; why did you not leave the port of departure open?—Because Queenstown is, unquestionably, the best port of arrival and departure for American mails.

862. Might it not have been convenient that you should have had mails sailing from Southampton as well as from Queenstown?—We did not think so.

863. You have no doubt that Queenstown is the best point of arrival and departure?—None whatever; Queenstown was selected some years ago, when there was a great agitation in Ireland for steam communication from the west of Ireland, and the result has shown that it is an excellent port for the departure and arrival of American mails.

864. Can you give your reasons for stating that Queenstown is the best port of departure for the American mails?—I have a return here, which I will put in, showing the course of post from Manchester, Bristol, Hull, Glasgow, Cork, Belfast, Limerick and Waterford, to New York *via* Queenstown, and *via* Southampton, in the months of March and August 1868. I have taken the months of March and August, because I wished to have one winter month and one summer month, when two lines of steamers were running from each port weekly.

865. Will you explain that return?—I have supposed a letter to be sent to New York by each steamer going, *via* Queenstown and *via* Southampton, in the month of March and August, and I have supposed that letter to be posted at the latest time possible for posting, either to Queenstown or to Southampton; in the case of Manchester, for instance, the hour is the same, whether the letter goes by Queenstown or by Southampton (you post up to 10 at night); I have then taken the date of arrivals at New York, and I have given the duration of the transmission of the letter in each case, *via* Queenstown, and in each case *via* Southampton, and I have struck an average; I have carried that plan through the cases of all the other towns I have named, and I will state very briefly the result: in the case of Manchester, the Queenstown route is the best by 1 day and 11 hours, leaving out minutes; that would apply to most towns in Lancashire and Yorkshire; in the case of Bristol, it is the best route by 1 day and 7 hours; in the case of Hull, it is the best route by 1 day and 8 hours; in the case of Glasgow, it is the best route by 1 day and six hours; in the case of Cork, it is the best route by 2 days and 13 hours; in the case of Belfast, it is the best route by 1 day and 17 hours; in the case of Limerick, it is the best route by 1 day and 23 hours; in the case of Waterford, it is the best route by 1 day and 19 hours. (*The Return was handed in.*)

866. *Chairman.*] Will you give us London?—I can give you London, but the case of London will entirely depend upon what hour you take for posting.

867. Cannot you take for London what you take for the other towns; cannot you take the latest hour at which you can post letters?—I was going on to explain why I have not done so. If you take, as the hour of posting from London, the hour for closing the night mail, Queenstown and Southampton are about equal in the case of London. If you take the hour for posting in the

F. I. Scudamore,
Esq.

19 March 1869.

morning, undoubtedly, in the majority of cases, there will be an advantage to London in posting *via* Southampton, but I do not believe that any very considerable number of persons avail themselves of the privilege of posting in London by the morning mail; and, with the view to bring that out before the Committee, I have asked for a Return to be prepared which cannot be ready before Tuesday; but which will show you the number of letters posted in London between the closing of the night boxes on Monday night, and the dispatch of the mail to Southampton on Tuesday.

868. Will you give us the latest time at which a letter can be posted from London by either of those routes, and the respective times of delivery at New York, on the average?—I will give you that; but I propose to give it you when I put in the Return showing to what extent posting takes place on Tuesday morning.

869. Are those times you have given us from actual results in the months of March and August last year?—Undoubtedly.

870. You give the average from actual results?—From actual results, which, in this Return, are stated in each case with the name of the ship carrying the mails.

871. Have you only taken the quickest passages of the mails during those months, or have you taken the average passages of every boat carrying the mails?—The passage of every boat carrying the mails during those months is set down and the average struck.

872. Will you give us the names of the companies conveying letters last year?—From Queenstown the Cunard and Inman Companies; from Southampton, the North German Lloyd's and the Hamburg-American Company.

873. The superiority of the Queenstown route being so great, have the public shown any preference for it?—They have; and, for the purpose of showing that they have, I will put in two Returns showing the total weight of letters, newspapers, and book packets contained in 52 mails from Queenstown and in 52 mails from Southampton, conveyed to New York by the North American packets during the six months ending the 30th September, 1868. One Return includes the foreign closed mails, and the other Return excludes them. The first Return shows, with regard to letters, 447,000 ounces carried *via* Queenstown, and 169,000 ounces, or nearly 170,000 *via* Southampton. With regard to newspapers, 114,000 lbs. were carried *via* Queenstown and 37,000 lbs. *via* Southampton; and with regard to books, 11,000 were carried *via* Queenstown and 3,400 *via* Southampton. (*The Returns were handed in.*)

Vide Appendix.

874. Can you give us the per-centage of letters *via* Queenstown?—Taking in the closed mails, they carry less than 75 per cent.; without the closed mails it is more than 75 per cent.

875. We must include the closed mails as well, because we are bound to carry the closed mails; can you let us have the respective weights of letters carried, including the closed mails?—They will be found in one of the Returns I have just handed in; in connection with the Returns I wish to make this remark, that of the mails carried *via* Southampton very nearly half consists of closed mails.

876. If those mails come to England we are bound to carry them?—Yes.

877. We receive our full share of the postage on those mails?—We receive a rate per ounce for their carriage.

878. In any computation you are bound to consider the closed mails quite as much as the International?—Yes; but I only put in this Return to show in which direction the International letters mostly went.

879. At the same time, when considering the carriage of mails, you must not exclude the foreign mails from the calculation?—For that reason I give you the two Returns.

880. Having determined to advertise for tenders for the conveyance of mails from Queenstown, did you take steps to make your wants generally known?—Yes; we advertised several times in the "Times," the "Shipping Gazette," one or two Liverpool papers, and in our own "Postal Circular," which goes into the hands of most shipowners and shipbrokers; and we also sent copies of the form of tender to all the companies of whose existence we know anything.

881. The tenders you received are those presented to Parliament?—Yes.

882. Will

882. Will you describe them?—The tenders were practically three for services from Queenstown, and two for services from Southampton. None of them were in accordance with the terms of our conditions. The two tenders for services from Southampton of course were not, because we had asked for tenders from Queenstown; and, in addition, there were some stipulations in them not in accordance with our conditions. Of the three tenders for services from Queenstown, we thought one was inadmissible, because it was accompanied by a stipulation that the postage per half-ounce letter should not exceed two-pence. We have no power to reduce the postage without the consent of the American Government. We had no reason to suppose we could get that consent, for no such proposition had been considered between us, nor did we think it desirable to reduce the postage so low. And again we did not consider those vessels to be of sufficient speed to perform the service.

883. You allude to the National Steam Ship Company?—Yes; the remaining tenders, two in number, but for three services were equally not in accordance with the conditions, they were identical in their terms and one was made dependent upon the other; they were for three services a week, two to be performed by Messrs. Cunard and one to be performed by the Inman Company; and the sum demanded for each of those three services was 50,000*l.* or 150,000*l.* a year in all. They also asked for a contract for a term of 10 years, terminable at 12 months' notice at the expiration of that time.

884. Why did you fix the hours of the voyage in those conditions at 264 during the summer months, and 288 during the winter months, as against 276 and 336 which had been in the Inman contract of the preceding year?—We had always considered that the maximum allowed in the Inman contract the previous year was too high; we demurred to it at the time, but were unable to make any other arrangement.

885. The Postmaster General and the Chancellor of the Exchequer thought those tenders inadmissible?—They thought all the tenders were inadmissible, but they desired to enter, if possible, into an arrangement for the service from Queenstown; and I was instructed to negotiate with the persons who had tendered for the Queenstown service, or at least with the Messrs. Cunard and Mr. Inman, to see if I could induce them to abate their terms.

886. Did you make any application to Messrs. Cunard and to Mr. Inman in your negotiations, to accede to your terms, or did you immediately negotiate on the basis of their terms, I mean with respect to a fixed subsidy?—I had endeavoured, over and over again, to induce them to carry the mails for sea postage, and failed so signally that I thought it was useless to ask them any more.

887. The Inman line had carried the mails up to that period?—Yes; but when once Messrs. Cunard and Mr. Inman had made an offer, identical in terms, I thought it was useless for me to negotiate with Mr. Inman any more.

888. You attempted to persuade them to reduce their terms?—Yes.

889. Taking their own terms as the basis?—Yes.

890. What was the result of that negotiation?—They agreed to take 10,000 *l.* per annum less for each service, and I submitted that proposition to the Chancellor of the Exchequer, who would not agree to it. They first asked 150,000 *l.* for the three services, and then offered to take 120,000 *l.* for the three services, that is 10,000 *l.* less for each of the three, and I put that proposition before the Chancellor of the Exchequer.

891. And the Chancellor of the Exchequer would not consent to it?—No; he said he would neither give so much nor consent to so long a term as 10 years.

892. Upon what grounds did the Chancellor of the Exchequer desire that further abatement?—He said he had undertaken to exert himself, as far as he possibly could, to make the service self-supporting, and if he gave 120,000 *l.* it would not be self-supporting; I had given him in a statement, showing the estimated gross postage on the mails to be carried to New York by those packets. That estimate was 112,000 *l.*; I will put in an estimate of the gross postage upon outward correspondence carried to North America by the contract packets in 1868, which was given to me by Mr. Chetwynd, the Receiver and Accountant General, this morning. It is made on somewhat more recent data than the estimate he gave me in September last, and therefore it differs from that estimate, but differs very slightly. It is slightly in excess of the estimate I gave to Mr. Hunt, that was 112,000 *l.*, this is 113,000 *l.* odd.

F. I. Scudamore,
Esq.

19 March 1869.

893. Perhaps we had better take the estimate of 112,000 *l.*, as it was on that estimate that the contracts were made; will you give us the details of that estimate of 112,000 *l.*?—I have not the details of that estimate; subject to slight alterations, in consequence of alterations of details, the figures will be pretty much the same.

894. Then we will take the 113,000 *l.* How do you get that 113,000 *l.*?—The first item in it consists of 2,738,457 single rates of letters at sixpence; that I believe Mr. Chetwynd will tell you is arrived at by taking the total number of ounces of International letters, and multiplying them by three and one-third.

895. You calculate three and one-third letters to an ounce?—Yes.

896. To what does that amount in money?—£. 76,068.

897. What is the second item?—The second item is the amount credited by foreign countries for the conveyance of letters in closed mails; that is 18,339 *l.*; that I apprehend is the actual amount taken from the French and Prussian accounts; the next item is 2,009,011 papers at 2 *d.*, 16,742 *l.*; amount credited by foreign countries for the conveyance of papers in closed mails, 693 *l.*; 168,731 books at 3 *d.*, 2,109 *l.*; and the amount credited by foreign countries for the conveyance of books in closed mails, 28 *l.*; in all, 113,979 *l.*; with regard to this, Mr. Chetwynd, who has prepared it, is very desirous to come before the Committee to explain certain discrepancies which have appeared in his statements; but, as he is collecting some information for the Committee, he asks if they will allow them to appear before them to-morrow, or Monday, instead of to-day. (*The Estimate was handed in.*)

Vide Appendix.

898. You said this was the gross postage; does that gross postage include the inland postage at either end?—It does.

899. It includes the penny at each end allowed for inland postage?—Yes.

900. It includes the whole postage to America *via* Southampton and *via* Queenstown?—Yes, in the year 1868.

901. Is it an estimate, or does it give the actual amounts realised?—It is partly an estimate, but an estimate on the data of the year 1868; that is Mr. Chetwynd's assumption of our gross earnings from those packets in the year 1868.

902. Can you give the proportion of that postage received by the different lines of steamers in 1868 that carried mails?—No, I have not that with me; it would be somewhat difficult to make that out.

903. Have not the Post Office any account of the monies they paid to the various companies in 1868?—Undoubtedly they have.

904. Would there be any objection to the Committee being informed of what the sums were that you paid the companies?—No; Mr. Chetwynd has a return, showing that the money paid to the different companies is something less than the money earned.

905. The Committee would like to know the sums received by the companies, and also the sums earned?—Both those returns shall be prepared for you.

906. You consider the gross postage as applicable to the payment for the transmission across the ocean?—Yes, I do. We have always endeavoured to contend that the sea postage only was applicable, but I think it is very doubtful whether we ought to push that to an extreme in the case of so important a service as this; in the first place, the letters are only written for the purpose of going to America, and if they were not so written, no item of postage would accrue at all; in the next place, if the American postal service disappeared to-morrow, and no letters went, the cost of the sea service, unquestionably, would disappear; but the cost of the land service of the Post Office would be reduced in a very small proportion indeed; certainly not to the extent of the difference between the gross postage and the sea postage; and again, in contending that the gross postage is applicable, I only follow the example of the United States who, by an Act of Congress, passed in 1858, decided that when mails were carried by American vessels, the sea postage and the inland postage should be paid to them; but when carried by foreign vessels the sea postage only should be paid to them; and I should say that I believe an Act has recently been passed in Congress with a view to establish a national line of American steamers, and that the same principle has been adhered to there; we have received a copy of that Act through the Foreign Office; that Act provides for the creation of a national line of steam ships, one stipulation being that the owners of the vessels should receive all the postage

postage on letters, newspapers, and other matters transported in the mails, but should not receive more than a maximum of 400,000 dollars per annum.

907. Is that the private Act of some company?—The Act begins thus: “That the Postmaster General is empowered to contract with the Commercial Navigation Company.”

908. It is an Act to enable him to make an agreement with a company to run steamers and carry letters at a certain rate, and to allow the whole postage up to a maximum.

909. The American Congress has always made a distinction between foreign and American steamers?—Yes, and so long as the Vanderbilt line was running to this country, which it did to within a few years ago, the American Post Office paid the sea and inland rate of postage for the conveyance of mails by those steamers.

910. To go back to the terms of the contracts now in question; when you informed the Chancellor of the Exchequer that you estimated your gross postage outwards at only 112,000 *l.*, and that you had persuaded the contractors to do the three services for 120,000 *l.*, I presume the Chancellor of the Exchequer did not agree to those terms?—He did not; he told me that unless the contract price could be brought down to 105,000 *l.*, that is 35,000 *l.* for each of the three services, and the term of years from ten to seven, he could not sanction the contract; but he authorised me to make an offer on those terms to the contractors.

911. Did you do so?—I did, on the 1st of October.

912. And that was accepted?—They accepted it within two or three days of that date, and we informed the Treasury, on the 12th of October, that they had accepted it.

913. You could not induce either Messrs. Cunard or Mr. Inman to agree to be bound by penalties as to speed and the duration of the voyage?—I could not.

914. You do not, I believe, attach very much importance to penalties for speed?—No; and perhaps I may be allowed to say, that I have heard one or two Members of the House, of much greater acuteness than I, express the same opinion; for instance, I have heard the Honourable Member for the Tower Hamlets contend more than once, that the trifling penalty you imposed on the contractor for delay was useless, because the cost of the extra coals they would have to burn, in order to avoid that penalty, would, in many cases, be much more than the penalty itself. In speaking of the Cunard Mail Service in 1853, Lord Canning's Committee gave the average of the passages from Liverpool to New York, as 12 days 1 hour and 14 minutes. I now put in a Return showing the performances of steamers conveying mails to and from New York in 1868, steamers of all lines, with a summary of the lengths of the voyages; showing, also, the period of arrival in this country, and the time at which the letters were delivered in London, Liverpool, Manchester, Glasgow, and Belfast. That return shows that the Cunard packets, though they have been under no penalty whatever during any period of time from 1853 to now, have something more than maintained the high rate of speed referred to by Lord Canning's Committee. (*The Return was handed in.*)

915. Are you speaking of the Cunard vessels that carried the mails in 1868, or of all their vessels?—The Cunard vessels that carried the mails in 1868.

916. But those were not the vessels you have accepted in your present contract?—No; there are one or two of them there.

917. You have in the present contract accepted a class of boats that you never accepted before?—Undoubtedly.

918. Your view, then, was, that you might rely on their proved efficiency rather than on penalties as to speed?—I should say I never supposed that the boats about to run on Tuesday from Liverpool would be as fast as those which have been in the habit of running on Saturday; Messrs. Cunard never represented that they would be, but I thought they would make fair average passages, and would, therefore, perform a satisfactory service to the public; Messrs. Cunard stated, in the course of the negotiation, that they considered their Sunday service, partly on account of the high speed of the boats, and partly on account of the unremunerative character of the trip to Queenstown, was worth more than a moiety of 70,000 *l.*, and they were very anxious that the contract should have been so worded as to show that they attached a higher value and

F. I. Scudamore,
Esq.

19 March 1869.

demand a higher price for the Sunday service than the Tuesday service, but I thought on the whole it would be better to state it as it is.

919. You were satisfied with the passages of the Inman line?—Yes, this return shows them to have been very satisfactory.

920. Have Messrs. Cunard been under no penalty with respect to punctuality since 1853?—I believe they have been under no penalty whatever.

921. Were they under a condition or stipulation to employ certain ships?—Yes; but the ships employed by them were very much in excess of the stipulations of the contract.

922. You say that since 1853 they were under no penalty with respect to time, and you say they carried out their work since 1853 so satisfactorily that you could trust them in the present contract without any penalty or any stipulation?—Yes.

923. As they were under no penalty, was there any stipulation that they should employ particular vessels or vessels that had undergone a certain survey and certain trials?—They were required at that time to undergo an Admiralty survey; they were required to use vessels of 400-horse power, but I do not like to speak positively to the terms of the old contract: Mr. Page is more familiar with them than I am.

924. You say that the return you have just put in gives the periods of the delivery of American mails in London, Liverpool, Manchester, Glasgow, and Belfast; and I think I understood you to say that Queenstown is as good a port for the arrival as for the departure of American mails. Does the return which you have put in bear that out?—Yes, it does; the chief advantage of Queenstown as a port of arrival is this: that in a very great number of instances mails coming in *via* Queenstown are delivered as nearly as possible simultaneously in the great cities of the kingdom. During the year 1868 the mails from the United States *via* Queenstown were delivered simultaneously at London, Liverpool, and Manchester on 52 occasions; and on 29 other occasions the deliveries were simultaneous at London and Liverpool, and about four hours later at Manchester; on the other hand, the mails from the United States *via* Southampton were delivered on 80 occasions later in Liverpool and Manchester than in London.

925. Mr. *Hamilton*.] How much later?—I fancy it would, in very many cases, be as much as 12 hours later. On 17 occasions the simultaneous delivery at these three places of the mails *via* Queenstown extended both to Glasgow and Belfast. And obviously, with regard to mails coming in *via* Southampton, there could be no such simultaneous delivery.

926. *Chairman*.] You did not expect that the Tuesday service would be as good as the other?—No.

927. The Cunard Company were anxious to have made a difference in the contract on that ground?—Yes.

928. And they wished to have a smaller sum for the Tuesday boats, and a larger sum for the Sunday boats?—Yes, their contention was that they required 70,000*l.* for the two services, but the larger part of that sum for the Sunday service.

929. They wished that there should be a larger remuneration for the Sunday boats, on the ground that it was less remunerative to them to go there on Sunday?—Because they could get no emigrants from Queenstown on Sunday.

930. You consider that calling on Sunday as a *sine quâ non*?—I think it gives a very great convenience to the mercantile community; it enables them to wind up the week's transactions with America at a late hour on Saturday from all parts of the kingdom.

931. You did induce Mr. Inman to change his day, so that the mails might run more uniformly, did you not?—Yes, we were extremely anxious before these contracts were made, to induce him to change his day, because we had always felt with daily sailings on the Atlantic the mails would overlap, as they have overlapped since the commencement of this year. He would not consent to that, and on the 1st of January this year, before any of the sailings under the contracts had commenced, Mr. Tilley wrote to him to urge him once more to come to London and consider the proposal of a change of day; and, after some negotiations, we did succeed in inducing him to change the day, and he has actually executed a contract for a different day.

932. That

932. That has not yet been executed by the Postmaster General?—No, it is waiting the decision of this Committee.

933. In authorising the execution of this new contract, do you consider that the Treasury were adopting the views of their predecessors?—I think, to the best of their ability, they have carried out all the instructions which had previously been laid down.

934. You think the three services from Queenstown will be satisfactory to the public?—I think they will, as arranged with the consent of Mr. Inman.

935. Do you believe them to be self-supporting?—Yes, subject to the application of the gross postage to the sea service.

936. You did not consider that better terms could be made, or you would not have advised these contracts?—No, I saw no probability of better terms being obtained at all; I think I should say before the tenders came in, in September, we had been led partly to understand that the North German Lloyd's and the Hamburg Company would tender for a service from Queenstown; I believe the agent of the North German Lloyd's told Mr. Tilley as much; and I believe Mr. Duncan, the agent for the Hamburg Company told one or two of the officers of the Post Office, that his company would do so too; when the tenders came in, and we found that they had not done so, finding also that the North German Lloyd's, in the letter that accompanied their tender, expressed a strong disinclination to run to Queenstown, we came to the conclusion that they had well considered the matter, and decided that they would not tender for that service.

937. They have made an offer to go to Queenstown since?—Yes, the Hamburg Company have; we have received a letter from them offering to run from Queenstown for 25,000*l.* a year.

938. Calling on the Sunday?—Yes.

939. That is 10,000*l.* a year less than the Cunard Company?—Yes.

940. What do you think of that?—They have something towards it to help them to it; they have a payment from the North German Government. I see the agent stated the other day that they had as much as 20,000*l.*; he is mistaken in that; they did not get it last year; they did not get last year more than at the rate of 6,500*l.*; they did not get quite that, because they did not make 52 voyages; but assuming that they had made 52 voyages, they would have got about that; that would bring their total amount, if they got 25,000*l.* from us, to 31,000*l.* or 32,000*l.*

941. The Post Office has not to consider the earnings of the steamship company from any other quarter?—No.

942. You would take into consideration an offer of that kind, not considering whether the company were earning money from any other source?—Certainly not.

943. You would only consider whether the company were perfectly able to carry out their contract?—Undoubtedly; at the same time, I may say, with regard to Cunard's and Inman's, they are expressly prohibited from earning anything from any one else; they may not carry mails from any other country.

944. Do you refer to clause 16 of the contract?—Yes.

945. We know that no one is allowed to carry letters in competition with the Government?—That is within the United Kingdom; but, if it were not for such a stipulation as that in the contract, there would be nothing to prevent the owners of the vessels from carrying mails for a foreign country out of the United Kingdom.

946. Do you consider that that is a clause which ought to be inserted in a Post Office contract, that the vessel carrying the British mails should not be allowed to touch at Havre, for instance, and take the French also?—It is a provision which has been always inserted in contracts for a great many years.

947. Is it required by public policy that such a provision should exist in a contract?—I am afraid I have not given the subject sufficient consideration to be able to give an answer to that question; it is a clause which has been handed down from contract to contract.

948. You have struck out a great many clauses which have been handed down from contract to contract, because, comparing the contracts of 1867 and 1868, a number of clauses are struck out; is that a clause which it is necessary to insert in the contracts, affording, as it does, a ground to the contractors for

F. I. Scudamore,
Esq.

19 March 1869.

asking a larger sum of money for carrying the mails than they would otherwise ask?—I have not given the subject sufficient consideration to be able to answer the question.

949. The same stipulation would be in the contract of 1853?—It has been in the contracts for a long period of years.

950. The object of that I suppose is that you may have the postage of the letters transmitted from France *via* Great Britain?—Undoubtedly; and we do have it.

951. That is, no doubt, a kind of burden that you put on the Inman and Cunard lines, as against the Bremen line?—Undoubtedly.

952. The Hamburg Company possess a good fleet of vessels, do they not?—Some of their vessels are very good; one in particular. I noticed the other day that you were rather surprised at the average of their packets in February; I think that the agent was not quite prepared for your question. The fact is, that was not an average passage at all; it was only one trip made by a very fine vessel; another vessel started, but met with some accident, and came back.

953. A good deal has been said with regard to the dissatisfaction of the public with what are called the Cunard cargo boats, now sailing from Queenstown on the Sunday, and it is said that the public will not write by those boats; have you any information on those points?—I have here a return of the number of mail sacks conveyed by the North German Lloyd's from Southampton on Tuesday, and by the Cunard boats from Queenstown on Wednesday, in 1869. You will see that on every occasion but one the Cunard boat has carried the larger proportion of the mail, although necessarily the Southampton boat would take a considerable share, probably nearly the whole of the foreign closed mail coming in, and the Cunard boat has only one day for the collection of letters.

954. The Cunard Company, I believe, have put on their slow boats on the Saturday once or twice during this year?—Twice only; and I understand that one gentleman who appeared before you said that the mercantile community had been very much confused by this, that they were obliged to consider whether the Cunard boat was going on the Saturday before they could decide to write by it. I think that must have been a little exaggeration, because on the first occasion on which what was called a slow boat was put on (the "Samaria," on the 14th February), she carried 102 sacks of mails, which is an average mail. She got out to New York on the 27th February, and the North German Lloyd vessel did not arrive until the 28th February, which was Sunday.

955. On what day did the North German Lloyd vessel sail?—On the Tuesday; she did not arrive till the Sunday, so that the letters could not be delivered until the Monday, therefore the public could not have been very much distressed. On the only other occasion when a slow boat was put on, last Sunday, she carried 120 sacks of mails.

956. It has been stated that when the "Samaria" went out, as you say, on the Sunday, she was caught by the "Java"?—Yes, she was; but the "Java" also caught the North German Lloyd's.

957. But still, was it not an understanding with Mr. Cunard, though not in the contract, that he should put on first-class vessels for the Sunday service?—It was understood that he would, as far as possible, maintain the Sunday service with fast vessels, and with the best of the others, that until he had built fresh boats for the Tuesday service he would run some of the fast boats now and then on Tuesdays.

958. Would it not disarrange correspondence if people found that in one week a slow boat ran on the Sunday, and in another week a fast boat?—Experience has not proved that they have been so slow, and the substitution has not disarranged correspondence.

959. As that has happened only twice, a large portion of the correspondents could not be aware that an alteration would be made?—The inference of the witness was that the public were aware of it, and were acting upon it. They were not aware of it apparently when the "Samaria" went; with regard to the "Siberia," she is only five days out.

960. But is it not likely to cause inconvenience if you pick a fast boat one week, and another week a slow boat?—I do not think that any boats will be put on on Sunday which will at all disarrange the service.

961. We have been told more than once that it is in the power of the Post Office

25
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Office to put the mails on board the Cunard or Inman, or any other ships as ship letters; has your attention been directed to that point?—Yes; undoubtedly the department has the power, but I think it is extremely questionable whether the department could, with justice and propriety, exercise that power; and supposing it were to attempt to exercise it against the wish of the contractors, they would have extreme difficulty in carrying it out. I have got a return of the whole number of ship letters and newspapers sent to all parts of the world from home in December. There were 4,400 letters, and 3,000 newspapers, making a total for the year of 53,000 letters and 36,000 newspapers. I think you will allow that the legislative enactment which permits the Postmaster General to put a small bag containing 16 or 20 letters on board private ships, was hardly intended to enable him to put 100 sacks on board a vessel, whether the owner liked it or not; but supposing the public opinion of the country justified him in doing that, there would be great difficulty in doing it. Take Queenstown, that is a very excellent port of departure, but the way to it is rather long; there are many shiftings of the mails between London and Queenstown, and the consequence is, that we cannot get the mail to Queenstown with any approach to punctuality. I have got a return of the number of occasions on which the packet which lies two miles out of Queenstown had to wait for our mails. In 1868 it had to wait 95 times out of 106 cases.

F. I. Scudamore,
Esq.

19 March 1869.

962. The boats had to wait?—Yes; supposing the contractor had been hostile, there is nothing in the law to compel him to wait. Take Liverpool, which would not be so difficult, but still it would be difficult, the Inman and the Cunard vessels lie out in the river, and they provide us with a tender to fetch our mails from the shore. But if we had to provide a tender, it might happen on a foggy morning in the Mersey that our mails would not get on board in time, and would run the risk of getting left behind.

963. You do not think that the ship-letter regulations were ever intended to apply to cases of that kind?—No; certainly not.

964. But there is the legal power to do that?—Yes.

965. The Inman and the Cunard Companies advertise that their steamers shall leave Liverpool and Queenstown at fixed hours?—Yes.

966. And if the Post Office were put to a push, it would be possible for the Post Office to take advantage of that, would it not?—I do not think we could do that with Queenstown.

967. It would be possible to do it by Liverpool, would it not?—Yes; in fact, I should say that a week or 10 days ago, when we obtained the notice that the contractors would not run a boat from Queenstown on Sunday, we ordered the postmaster of Liverpool to find steamers for the purpose of putting the mails on board the Cunard packet at Liverpool as ship letters.

968. Supposing these contracts were abruptly terminated by a decision of the House of Commons, no doubt there may be a little inconvenience for a period?—No doubt.

969. The Post Office does possess the power, if an abrupt termination of the contract took place, and not merely the power, but the capability of putting the letters on at Liverpool?—The Post Office does possess that power, and we determined to try if we did not possess the capability.

970. But you think it could not be done at Queenstown?—You might do it two or three times in the year, but you could not reckon upon doing it; it would be hazardous to proceed upon the chance of having to bring back the letters ninety-nine times out of a hundred.

971. Can you give us the rates of postage paid by the American Government for the conveyance of the mails?—Last year I believe they were paying 15 cents per ounce; this year I do not know what they are paying.

972. That is about 6*d.* I suppose?—It was 15 cents in currency; what its real value may be I cannot say.

973. Can you give the Committee the number of companies who carry return mails from the United States?—The Cunard, the Inman, the North German Lloyd's, and the Hamburg-American. I do not know of any other. If you wish to know what they once subsidised, I may say that they once had a very powerful line, the Collins line, receiving for the fortnightly service as much as the Cunard Company receive for the weekly service.

974. Do you know when the Americans gave up the practice of paying fixed subsidies to steamships, and entered on their present system?—I cannot give

F. I. Scudamore,
Esq.

19 March 1869.

you the date. They have paid by sea postage, or in the case of American ships by sea, and inland postage, for several years.

975. From what date has the American Government become responsible for the carriage of the homeward mails?—From the 1st January 1868.

976. The American Government never makes a contract for more than one year, I think?—I believe it is now making them from week to week.

977. Do you know whether before the year 1868 the English Government had a contract for carrying mails with any other company besides the Cunard Company?—No.

978. Had they none with the Inman Company?—No; the Inman line and the North German line and the Hamburg line were, so to speak, under contract with the American Government. They carried mails on behalf of the American Government. We credited the American Government with the sea postage, which was considered to be 10 *d.* on a single letter.

979. What did the Cunard Company receive in their last contract before 1868?—£.173,000 per annum.

980. For what services?—That was for a service once a fortnight from Queenstown to New York, and once a fortnight from Queenstown *via* Halifax to Boston.

981. In your contract of 1868 there is a clause for a return mail on Wednesdays; and in the negotiations that took place that could not be quite carried out, and the Company were to repay the postage which they receive from the American Government to the British Government?—Yes.

982. What amount did they repay to our own Post Office?—I think not more than 9,000 *l.* You must take the cost of that homeward service in the year 1868, to us, at 40,000 *l.*, and as I do not think we got more than 9,000 *l.*, there would be a loss of about 30,000 *l.* on the homeward service in the contract with the Cunard Company in the year 1868.

983. Then your calculations with regard to the number of letters to come home by that line must have been very erroneous?—My calculations were disturbed by one or two circumstances. First, I had calculated that the Americans would follow their former practice of paying the whole sea postage.

984. You calculated in your letter to his Grace the Duke of Montrose that the postage would have been 43,000 *l.*?—Yes, I calculated that our Cunard packets would bring home the same proportion of mails as they formerly did; and the Americans would pay the same rate of sea postage as they had been paying to the persons under contract with them, and also that there would be a certain increase of correspondence.

985. Do I understand you, that the Americans do not pay so much now as they have been paying?—No; I calculated that they would give the whole sea postage, they having been in the habit of giving the whole sea postage, which had been 10 *d.* per letter. In 1868, after the reduction, that came to be considered as only 4 *d.*; but I calculated that the Americans would give 4 *d.* per letter, or a commutation per ounce for that 4 *d.*

986. You calculated upon the sixpenny postage?—Undoubtedly; instead of doing that they paid only the 15 cents, I having reckoned that they would pay 24 cents per ounce, and they would only pay it in currency, that being about 6 *d.*

987. Now in that letter in 1868, in which you write strongly in favour of contracting with Mr. Cunard, you put the cost of sorting on board at 3,500 *l.*, and you lay very great stress on the extreme advantage of what you call the "sortation" on board?—Yes.

988. You have given that idea up now?—Undoubtedly; I did not know at the time that it would be possible to give it up.

989. But you found it possible?—Yes; we found it possible last year, when a fresh contract came in, and I found that there was a considerable demand made for the cost of sorting on board; I thought myself bound, in order to secure the same accommodation to the public that they had formerly enjoyed, to put a provision into the contract for the purpose of sorting. But I set to work late in last year to see if we could not establish sorting on the railway instead of on board, and I told the contractors that I should do that; they remonstrated and said that they had calculated on getting something in addition to the subsidies, for the keep and passage money of the sorters; they begged me to desist, but I determined

19 March 1869.

determined to persevere, and I have been able to make arrangements for sorting on the railway, by which a considerable sum has been saved.

990. Still, you estimated, in the year 1868, that at a cost of 3,500 *l.*, the sorting could be carried on on board?—Under the contract that prevailed in 1867, the Messrs. Cunard charged nothing for the sorting-rooms, and nothing whatever for the keep or passage-money of the sorters. Under the terms they asked for the temporary service of 1868; they also proposed to charge nothing for those items, and I estimated, looking to the terms which the contractor asked for, that 3,500 *l.* ought to be deducted, but when the tenders for the contract for 1869 came in, they proposed to charge over and above the amount of the subsidy for the passage-money and the keep of the sorters; Mr. Inman also proposed to do the same.

991. At all events, in the year 1868, you valued the amount of accommodation which they would give you for the purpose of sorting letters at 3,500 *l.* a-year?—Yes.

992. You considered that then an essential point, did you not?—Yes.

993. The Inman vessels sail under the British flag, do they not?—Yes, I believe so.

994. There is great stress laid in this letter on the importance of English mails being sent in vessels sailing under the British flag?—I believe they do.

995. Mr. Inman, I believe, complained in the year after his contract had been entered into for 1868 of the unfair treatment of himself as compared with the Messrs. Cunard?—Yes.

996. The Messrs. Cunard have invariably refused to tender according to your form?—Invariably.

997. Yet you have always contracted with them?—I have always thought that they gave us a service which we must get on the best terms we could.

998. Have you any reason whatever to be dissatisfied with the Inman service?—No.

999. Have you ever had any complaints?—No; Mr. Inman complained extremely of the very small amount which he got for his service in the year 1868 on the sea postage.

1000. That is not in any official document before Parliament, I suppose?—No; but Mr. Inman will tell you, if you have him before you, and he told Mr. Tilley in so many words, that it was not worth his while to carry the mails for the sea postage.

1001. I see that you consider that in the contract of 1868 the packets carried for the Admiralty were worth 1,000 *l.*?—Yes, but you must not take that into account; that was when there was a mail to Halifax.

1002. But the conditions with regard to the carrying of packets for the Admiralty are all struck out of the present contract?—Yes; and independently of that those packets do not go because there is no longer a service to Halifax.

1003. Which of the companies carrying mails are subsidised by foreign Governments, because I see at page 37, "The Department will have to fall back upon the three companies from which tenders have been received, and of which two sail under foreign flags and are subsidised by foreign Governments"?—The North German Lloyd's and the Hamburg-American.

1004. You do not call that a subsidy, do you?—I ought not to have used the term "subsidy."

1005. But the term "subsidy" is used in the document on which the contract with the Messrs. Cunard for the year 1868 is mainly justified?—I should have said, "Paid by foreign Governments."

1006. The condition was, I think, that the Cunard Company should build vessels of 2,000 tons, but seven of the present fleet are under that, I believe?—The condition is, that if the Messrs. Cunard build any new vessels, they shall not be less than 2,000 tons, but that he shall be at liberty to use those vessels that are now in his fleet.

1007. Can you say why a competent surgeon should be provided on the Cunard boats and not on the other boats?—That is an hereditary clause; there are several of them.

1008. Do you think that when you are making a contract for carrying the English mails it is not your duty to strike those clauses out if they have nothing

F. I. Scudamore,
Esq.

19 March 1869.

to do with the carrying of the mails?—So much blame has come upon me for striking out such clauses that I am very glad I took no more out.

1009. *Mr. Hamilton.*] Blame from whom; was it from the office or from the public?—Not from the public.

1010. *Chairman.*] This clause for a competent surgeon is not in the Inman contract?—No.

1011. And it is not in the contract with the others?—No.

1012. It is merely a clause kept from the olden days, when you had all kinds of restrictions upon the service?—Yes.

1013. And when you paid them for their services accordingly?—Undoubtedly.

1014. I suppose you would not place any limit on the length of the voyage because you are quite satisfied with the Inman and Cunard Companies in that respect?—Yes.

1015. *Mr. Seely.*] I think you said that you had received a hint from some Parliamentary Committee that you were not to be very rigid in making the postal service to India self-supporting?—Yes, I did use that expression; I did not mean to convey that a Parliamentary Committee meant to give us that hint, but that really put in that strong way it was a hint.

1016. I think you wished the Committee to infer that that might perhaps operate a little with regard to the United States contract, or else why did you make that observation?—I wished the Committee to infer that we thought ourselves bound as far as possible to observe the warning given in the case of the East Indian communication in the case of the American communication.

1017. Is there not a great difference in the communication between the United States and this country as compared with the communication between India and this country?—Undoubtedly there is a great difference.

1018. Would it not be much more likely that if we relied upon competition serving our purpose to obtain a quick and punctual delivery of letters to the United States, we should get it, than if we relied upon it in the case of the postal service to India?—I think the difference may be stated in this way, that when we determined to furnish postal service to India we only got one offer, whereas when we determined to furnish a postal service to America we obtained several offers, of which we only thought some satisfactory.

1019. But I think you will see that you have still not answered my question?—Certainly the competition would be more likely to serve you in the case of America than in the case of India.

1020. You have put before the Committee some returns for the months of March and August in 1868, with regard to the time occupied in going from certain places to the United States?—Yes.

1021. Do you know whether if you took the average of the whole year it would make any difference?—I do not think it would make any appreciable difference, but I will have the average made up and sent here to-morrow.

1022. But do you know whether it would make any difference?—No, I have only tried the average of those two months which I took for the reason that I gave you.

1023. And no other reason?—Absolutely none. I may say that in taking those two months I have taken one, March, which is very much more unfavourable to my view than the other month. First, I took August; if I had given the average of August it would have been very much more remarkable than the combined average I have given; I purposely picked out a winter month to see whether I could not get something against my own conclusion. In the first two months of last year and the last two months of last year the Southampton boats were not making so many voyages as the Queenstown boats; I selected the winter and summer months in which they were making equal voyages; the return for the whole year will possibly be more in favour of my view than the existing return.

1024. I think you said you found that Mr. Inman and the Messrs. Cunard had delivered to you precisely the same tenders?—Precisely.

1025. And that it was therefore hopeless to attempt to get Mr. Cunard to alter his terms?—I said it was hopeless to attempt to deal with Mr. Inman on the terms of the previous year.

1026. Now as the Committee have had many opinions offered, besides facts put forward, perhaps you will be kind enough to tell us your opinion, supposing

31
201F. I. Seadmore,
Esq.

19 March 1869.

posing this contract should be confirmed with regard to the position which we should stand in in 1876 as to making new contracts. My object in asking you the question is this, you had great difficulty in dealing with one company because he got Mr. Inman to ally with him, and I think perhaps there will be greater difficulty in dealing with those two companies, after they have had eight years of subsidy than we should perhaps have in dealing with them now?—I may answer your question in this way, that supposing the contract to be confirmed, and supposing those two sets of contractors to keep up the efficiency of their service, which they can only do by adding from time to time to their fleet, it would be a very good bargain for the country to make, to renew the contracts at the same rate in 1876. Supposing they did not maintain their fleet in efficiency, I think there would then be competitors on the ocean who would be able to take the mails from them.

1027. Then that opinion must of course be based on your belief that there would be no great reduction of the rate of postage?—No; I do not hold that it is impossible to reduce the rate of postage during the time of these contracts.

1028. I say “any great reduction”?—The Receiver and Accountant General, when he comes before you, will bring the best estimate he can make of the probable increase of the amount of postage from year to year, taking the ordinary rate of increase in correspondence; and he will tell you from that to what extent, even while the present subsidy is kept up, it may, in his opinion, be possible to reduce the postage.

1029. You stated that the whole of the postage, including the sea postage and the inland postage (by inland postage I mean inland here and in the United States as well) at 6 *d.* a letter, would amount to 113,979 *l.*?—Yes, with an allowance for closed mails and books.

1030. That is a little in excess of the estimate put forward of 112,000 *l.*?—Yes.

1031. Can you explain this answer from the Postmaster General to me; I forwarded a letter to the Postmaster General, and he was kind enough to forward me an answer, and I believe he sent a similar answer to Mr. Hunt and Mr. Sclater-Booth; his letter in reply is dated the 11th of March. The question I put to him was this: “I should like to know if you can tell me what was the total amount which the Post Office received in the year 1868 for sea postage to the United States; this, of course, exclusive of the inland postage here and in the United States.” The answer I received was, that the British share of the entire sea postage is estimated at about 101,700 *l.*?—There is no doubt whatever that that answer is not the answer which you expected to get; the 101,700 *l.* is not the sea postage to the United States, which I take is not more than 76,000 *l.* or thereabouts; when Mr. Chetwynd comes before you he will explain to you how that discrepancy arose, but I may say now that it did not arise in the way in which it was represented to have arisen the other day; he has included the sea postage on letters from the United States, and he will explain that; I have not gone into that, but I am satisfied that the discrepancy is purely unintentional on his part,

1032. I think in your calculation that you take 4 *d.* as the sea postage, and 1 *d.* as the inland postage here, and that the United States take 1 *d.*?—Yes, on looking at the matter in this light I would say that the postage collected here and the postage collected on the other side are added together and divided equally between the two countries; the postage collected here and the postage collected in America are annually or quarterly added together, and divided equally between the two countries, each country bearing its own share of the cost; in the calculation on which I have proceeded, I have assumed that the produce of the mails outward and the produce of the mails homeward are equal. I believe I have stated the case a little against myself, because we have always considered the homeward mails the greatest of the two, and I believe they are; with regard to newspapers, there is no doubt that they are; I have considered that we had a right to do what we pleased with the whole of the postage of the outward mail, and I have calculated that that is fairly applicable to the sea conveyance; I know that we have to do the inland services with regard to the letters conveyed in the outward mail, and also that, supposing that we contend that we have a right to use the whole of the postage on the outward mail, we must take into account that we have to do certain services with regard to the letters conveyed in the homeward

F. I. Scudamore,
Esq.

19 March 1869.

mail; with regard to the outward letters, we have to collect and transmit them either to Queenstown or Southampton, but with the homeward, we have to bring them either from Queenstown or Southampton, and deliver them; but I do not look upon those two services as by any means equal to the service done on an ordinary inland letter, which has to be collected, transmitted, and delivered within the United Kingdom, and therefore, even if I were prepared to allow that the inland rate on American letters should be set apart separately from the sea rate, I should not be prepared to allow so great a rate as in the case of ordinary inland letters; but in the case of such mails as these, it is quite fair to apply the gross postage to the conveyance across the Atlantic.

1033. Has this view ever been put forward in any public document laid before the House?—It is alluded to in the last Parliamentary Paper, I think.

1034. Is it not more generally taken that the sea postage is 4*d.*, and the inland postage 2*d.*?—There is no doubt that has been the view of the Post Office.

1035. And that has been their view up to the present time?—Undoubtedly.

1036. And would not the House, when dealing with this question, naturally consider that it was the view of the Post Office that it should be two-thirds of the sea postage and one-third of the inland postage?—I can hardly say that the House has had any views on the matter at all; I do not know that it has.

1037. Do I understand you to say that the whole of the money which we receive and the whole of the money which the United States receive for postage, is put together and equally divided?—Yes, on international letters.

1038. Then do we pay for conveying the mails to the United States, and pay for conveying the mails from the United States to this country?—Yes.

1039. Do you put those two sums together and then divide them?—No.

1040. You keep them?—Yes; that is to say, we incur our cost and they incur their cost.

1041. What is the cost to the United States of conveying letters to this country?—It is something very much less than what it has been to us.

1042. Can you give the Committee an estimate of what it is?—No; you had better ask the contractors. You will find that it is very small indeed.

1043. You conceive that a fixed subsidy of 105,000*l.* will be about the amount we shall receive on the sixpenny letters?—That would be under the amount.

1044. You have made out, I think, that twopence a letter was about the amount which the United States paid for sending letters from the United States to the United Kingdom?—I presume that would be about it, I am not quite certain; it depends on the currency.

1045. Then, if we pay 6*d.* it appears to me that the United States get their work done for one-fourth of what we pay?—They are getting the work done mainly at our expense; there is no doubt about that.

1046. I think you stated that you did not expect that the Cunard Tuesday boats would be very fast?—I did not expect the Cunard Tuesday boats would be so fast as the Sunday boats, certainly not.

1047. Are they generally overtaken by the Inman boats that sail a day later?—On several occasions; in January and February they were so overtaken.

1048. Are they not generally overtaken?—I do not think I can go that length; they were overtaken a good many more times than I liked to see them overtaken.

1049. I think that you have stated already that the Messrs. Cunard thought that they were entitled to more than 35,000*l.* for their quick boats?—Yes.

1050. And that they were not entitled to quite so much for their slow boats?—It would be hardly fair to them to put it so; what they said was, that they wanted 70,000*l.* for the two services, but they thought they earned more than a moiety by the Sunday boats.

1051. If that be the case, it is quite clear, is it not, that you are paying for the quick service more than 35,000*l.* in reality?—I am prepared to admit that we are.

1052. I thought you had admitted that equality ought to prevail among the parties who have contracts?—I am not aware that I admitted anything of the kind.

1053. But are you prepared to deny that that is desirable;—I am prepared to admit that people ought to have more for quick service than slow service; that is the position in which the Messrs. Cunard wish to put it.

1054. But

363

F. I. Scudamore,
Esq.

19 March 1869.

1054. But I am not speaking of the quick and slow services and the Cunard people; I am speaking of the Messrs. Cunard, and other parties who have contracts, being put on the same footing for the same service?—I am afraid I do not quite understand your question.

1055. *Chairman.*] But if Mr. Cunard is really getting more than 35,000 *l.* for quick service, he is put on a more advantageous footing than Mr. Inman?—Very good; he contends that there is a reason for that, inasmuch as going to Queenstown on Saturday, he goes there for nothing but the mails; that has always been his contention; I have no doubt he will come before you and endeavour to make it plain.

1056. *Mr. Seely.*] I believe you have stated that one reason why he was entitled to a larger sum for the Sunday boats was that he could not take emigrants on board on that day?—Yes; he can get nothing on that day at Queenstown except some stray passengers.

1057. Does he generally take emigrants by his boats?—By the Wednesday boats he does.

1058. Would he not take them on Sunday?—I cannot tell you; his contention is that he cannot take them whether he would or no, and that is borne out by the fact that emigrants cannot be put on board on Sunday.

1059. I believe that the Messrs. Cunard can use any of their slow boats for any service?—Under the terms of the contract no doubt they can, but that is not their intention; in fact, I should say that they made the changes between the Sunday and the Wednesday not of their own motion but of mine.

1060. Reference has been made to the new convention with the United States; it is not in the hands of Members, I think, is it?—I think Mr. Page had better be examined with regard to the convention.

1061. Can you explain to the Committee why the convention is not on the Table of the House?—No, I cannot, indeed; that rests entirely with the Treasury.

1062. There is one convention which is on our Table, entered into on the 18th June 1867?—Yes.

1063. Do you remember when notice was given to terminate that convention?—Towards the end of the year 1867.

1064. I think it was given the 31st of December?—I think it was.

1065. Can you say what induced the Postmaster General to terminate that convention?—The principal ground (leaving out some minor grounds which Mr. Page can explain to the Committee) was, that we wished to enter into a fresh arrangement with the United States for the conveyance of the mails in both directions, by which arrangement the cost should be made equal to both countries, and the service equally efficient and regular in both directions; but in that object we did not succeed.

1066. When you gave notice to the United States to terminate the convention, did you accompany your notice with any reasons?—Speaking from recollection, I think we said that we should send an officer out who would explain our reasons to them.

1067. I think Mr. Trollope was sent out, was he not?—He was.

1068. And, among other reasons which Mr. Trollope gave for terminating the convention, did he give the following: that the Postmaster General had not received any tender to convey mails from Queenstown to New York on a Sunday?—I do not recollect his having done so; it is not within my knowledge if that was so.

1069. *Mr. Hamilton.*] With regard to that Treasury Minute of 1860, one of the recommendations was that, as far as possible, these contracts should be self-supporting, that long contracts should be avoided, and punctuality should be secured by adequate but not excessive penalties?—As far as possible.

1070. Do not the contracts violate those conditions in every particular?—That is entirely a question of the meaning which you attach to the term long, to the term high, and the value you set on penalties.

1071. But there are no penalties?—None.

1072. Have you ever made a contract for a longer period than eight years?—Yes.

1073. In what case have you done so?—In the case of the Peninsular and Oriental Steam Packet Company, and in many previous contracts, the period has been 10 years; the Royal Mail contract is 10 years.

F. I. Scudamore,
Esq.

19 March 1869.

1074. Is that the extreme limit?—No, we have made a contract for 12 years with the Peninsular and Oriental Steam Packet Company.

1075. Is that a recent contract?—Yes.

1076. Is it the contract of last year?—Yes.

1077. But still you would not call a contract for eight years a short contract?—I should very much prefer a shorter contract if I could get it.

1078. Can the service be said to be self-supporting, without requiring the Post Office to render service for nothing?—Requiring the Post Office to do the service for nothing; but on the understanding that, if it did not do it, it would get nothing, and if it ceased to do it it would get rid of hardly any portion of the cost which it incurs in doing it.

1079. But that would apply to every department; if no letters went the Post Office would get nothing?—Of course not.

1080. Taking this new principle, which I believe it is, that self-supporting meant self-supporting by means of the sea-postage only; if that estimate of yours is so worthy of reliance, why should the contractors have objected to take that instead of a fixed subsidy?—That you must ask the contractors.

1081. Was it ever offered to them?—Yes, two years running; we requested them to tender once for a fixed amount for the sea postage, and once for a blank amount, and they would do neither.

1082. Is it a fact that the contractors who have been invited to tender have ever understood that the Post Office would offer them more than the sea postage?—They have never been led so to understand by me, most assuredly; in the first year, 1867, I was myself under the impression, until the tender came in, that the Messrs. Cunard would tender for the sea postage; I was at least as much disappointed as any man in the Post Office when they did not do that.

1083. On the whole, sooner than give a fixed subsidy, you would have given up the whole of the postage to the contractors; you would prefer that?—If they would have taken it; I am not quite certain that I should prefer that. I have been asked whether the present contracts offer an obstacle to the reduction of the postage to America; now, if we should undertake to give up the whole of the sea postage to the contractors, whenever we wanted to reduce the postage, we must have said to them, "We are going to reduce; the fund at our disposal is so much less, will you take the mail for a less sum"; if we give them a fixed subsidy we take to ourselves the increase of postage, and you have it in your power if there is any increase to make those reductions which appear desirable; I think that contracts by fixed subsidies when they are not excessive, afford better means of reducing the postage than contracts by payment of postage.

1084. Do you think there is any case likely to happen in which all the conditions which were alluded to in that Treasury Minute are more capable of being complied with than in the United States line, namely, that they should be paid for results, and that they should not have contracts for a long period, and that punctuality should be secured by penalties not excessive?—I think that was the most hopeful ground for an experiment; we tried it for two years, and it failed.

1085. Do you think the effect of this contract for eight years, which ties up the question for that time, is likely to diminish or increase the facilities for an open service at the end of that time?—I do not think it would diminish them.

1086. Do you think it is likely to arrest the advantages of competition?—No; I think if the contract be really as valuable to the contractors as it is supposed to be, they will so exert themselves throughout that time as to put themselves at the end of it in the same position of superiority as now. If, at the end of that time they are not in that position, the power of putting the mails into other hands will be very much increased.

1087. But do you think there will be as many good vessels available for the open service as there will be eight years hence if this contract did not exist?—I am inclined to think so, but I am not a very competent witness on such a point as that.

1088. You said that one of the reasons why the Messrs. Cunard expected rather a higher remuneration for the Saturday service was, that they are not allowed to take emigrants from Queenstown on the Sunday?—Yes; they cannot do that.

1089. Is

1089. Is there any particular reason for making that a Saturday service?—Yes; we have always considered it an advantage for the mercantile community to be able to write on Saturday, winding-up all the week's transactions to America. And there is an additional reason now for keeping that service on Saturday; and that is, that the weekly mail service to India falls on the Friday, and that if you put the American post night back on to the Friday, you would throw on those houses which do a large amount of business with America and India, a very great amount of labour, and on the Post Office the very heavy duty of making up the Indian and American mail on the same night.

1090. Was the fact that the American service was a Saturday service, the reason for fixing the Indian mail, or not, on the Saturday?—I can hardly say; but I can give you an illustration of the dislike of the mercantile community to make up two mails in one night. Some years ago Mr. Crawford, and a large number of merchants in the City, petitioned for a weekly service to India, asking that the dispatch should be on Friday, uniformly, instead of four times a month on fluctuating days. We had not had the petition in more than three or four days when several of the people who had signed it, came to the Post Office to say that they had made a mistake, for they found that by putting the mail on a fixed night, it would every now and then fall in with the West Indian mail, and having both the mails at once, they would not be able to get through their work.

1091. Do you think with regard to other foreign postal arrangements, that the Saturday is the best day for the American service?—I do not know why it should not be.

1092. You have given the Committee some information with regard to the advantage of Queenstown over certain towns?—Yes.

1093. Have you seen the information which was given to the Committee by Mr. Pearson Hill, the other day?—Yes.

1094. There is a difference of opinion on that subject, is there not?—Yes; but I think, if my figures are examined, the difference will be found to be in my favour.

1095. What is the proportion between the London postal matter to America, and that of the provinces?—I have called for a return of the numbers of letters posted in London to night and to-morrow night for America, and the number of letters posted in each of the large towns in the kingdom, and that return will be in the Honourable Members' hands by Monday or Tuesday. You cannot have the Southampton return before Tuesday afternoon at the earliest.

1096. It has been stated before the Committee, by Mr. Hill, that London gains 12 hours by using Southampton as compared with Queenstown?—Supposing you posted your letters in the morning for the Southampton boat of Tuesday, London has the advantage; but my calculation is, that the American merchants do not come into town in the morning for the purpose of posting letters to catch the boats. My return will show that I am right, or that I am wrong.

1097. It has been stated by one or two witnesses that the slow service is, under existing circumstances, practically of no commercial value, but I gather that is not your opinion?—No; I do not pretend, for a moment, that it has been of so much value in the first two months of the year as I hoped it would be, but looking to the number of sacks of letters sent by it, I would regard it as convenient.

1098. If it rested with you until the cancelling of the contract, would you still adhere to the slow boats?—I think very great speed is of somewhat less consequence than regularity of dispatch and arrival; it is a great source of confusion if the mails should overlap; I cannot conceive a greater nuisance than a letter of the 20th arriving after the 21st, provided that the letter of the 20th arrives before the 21st; I do not think that extreme speed is of very great importance.

1099. But that extreme speed has always been an inducement to the country to pay so largely for the postal service?—Yes.

1100. Do you consider the last contract the less remunerative to the Messrs. Cunard's than the previous ones?—Undoubtedly.

1101. Even though they are not subject to penalties, and there is no condition with regard to the particular vessels to be employed?—Yes; in the year

F. I. Seudamore,
Esq.

19 March 1869.

1867 they had a subsidy of 86,000 *l.* for a mail once a week in one direction by the Sunday vessels.

1102. Fast vessels?—The total subsidy was 173,000 *l.*, of that 86,000 *l.* was for the outward mail; they have now 70,000 *l.* for two mails a week, and although they say that the Sunday service is worth more than the moiety, I do not know how they can put it as worth very much more.

1103. As fast vessels burn more coal, more speed means more expense, I suppose?—No question about it, they burn an immense amount of coal.

1104. Sir *Massey Lopes.*] You mention that you were one of the secretaries to the General Post Office, how many are there?—There are two, Mr. Tilley and myself.

1105. Mr. Frederick Hill is not one?—He occupies the post he has occupied for many years, that of assistant secretary.

1106. You said that by the recommendations of the Committee of 1863 the service should be self-supporting, that contracts should not be for long periods, and that penalties should be sufficient, but not excessive; were the tenders you called for in the years 1867 and 1868 so framed as to carry out the recommendations of the Committee?—They were intended to do so.

1107. In your opinion they are so, to the best of your knowledge and belief?—What I say is, that we made an effort to carry out the recommendations, not only of that Committee, but of every Committee that has ever sat on the subject.

1108. Do you think that the contracts entered into are so framed as to carry out the recommendations of the Committee?—I think they are the best approach to the recommendations of the Committee that we could get; the sum is as low as we could get; the service is as good as we could get it, and we did not enter into the question of penalties, because we are safe without them.

1109. Do you consider that you have the same security for regularity, and the same power of supervision over those vessels that took those letters for the sea postage, as you would have where you subsidised vessels; and do you think that the public service is as efficiently conducted?—The vessels which took the letters for the sea postage were under a penalty for delay, I believe; that was not worth the paper on which it was written; it had no effect in stimulating them to the service, and all it did was to put a small portion of the payment back into the public exchequer. Where the penalty for delay is, we will say, the eighth part of the day's postage, which may be 25 *l.*, it is obvious that the extra coal which they might have to burn in driving their vessels against head winds would be very often more than the penalty itself.

1110. Do you think that the Hamburg Steam Company would have offered to take the mails at 25,000 *l.* a year if they had not had the privilege of taking other mails which the Messrs. Cunard have not got?—I should doubt it; but I can only say that at the proper time they did not offer, and by their conduct they led us to suppose that the Queenstown service would not suit them.

1111. Mr. *Graves.*] The Committee have been informed that Messrs. Cunard have some vessels by which they do not carry steerage passengers; do you know whether those vessels sail on Sunday from Queenstown?—I think you will have one of the firm here, who will be better able to answer that question than I can.

1112. Mr. *Graves.*] I think I understood you to say that the contract of last year expired in December last?—Yes.

1113. May I ask under what terms the service has been conducted since the 1st of January?—Under the inchoate contracts which are before you.

1114. No other arrangements or stipulations, I suppose, have taken place?—No.

1115. It has been stated before the Committee that the bulk of the correspondence with the United States goes from Ireland, do you confirm that?—No; a considerable portion of the correspondence no doubt goes from Ireland, but certainly not the bulk; it is preposterous to say so.

1116. Can you form any idea of the proportion which the London letters bear to the rest of the correspondence of the United Kingdom to the United States?—I have called for a return which will show that. I should imagine that London had the preponderance, but Manchester, Liverpool, Leeds, and Belfast, are very large.

1117. Do I understand you to say that, even speaking generally, the London letters

30/4

letters are equal to the whole of the correspondence for the rest of the kingdom? —I do not think there is the least probability of that being the case.

1118. You stated, I believe, that some negotiations had taken place within the last two or three weeks with regard to a change of day with Messrs. Inman, to substitute the Thursday for the Tuesday? —Yes.

1119. May I ask you if the Treasury authorised the completion of the contract provided Mr. Inman agreed to that change of day, on terms identical with all the terms of the contract for Wednesday?—Yes, they did; but I ought to say, on behalf of the Treasury, that they only recommended that as an amendment, and not as an adoption of the act of their predecessors.

1120. I did not want to put it in that light, but the present Treasury did sanction the contract?—Yes.

1121. Was that contract engrossed and sent down to the postmaster at Liverpool for Mr. Inman's signature?—Yes.

1122. Did he sign it?—Yes.

1123. *Chairman.*] You calculated on an increase of 50 per cent. as possible, and on an increase of 33 per cent. of correspondence as probable with America in consequence of the reduction of postage; has your calculation so far come true or not?—The Receiver and Accountant General is endeavouring to ascertain that. In the first two or three months of last year, after the reduced rate had been in operation for two months, I have a return made out which shows that there had been an increase of 15 per cent., but I should imagine that there has been a considerably greater increase since then.

1124. Is that an increase beyond the increase that has taken place to make up for the loss during the civil war?—Whatever it is it is the total increase, and must include both.

1125. There was a great reduction during the civil war, was there not?—Yes; the South was practically cut off from correspondence.

1126. This calculation, I presume, includes the increase on that point?—No, hardly that; the war was over more than a year ago, but the correspondence revived immediately after the cessation.

1127. Did the correspondence in the year ensuing the cessation of the war, recover the amount that you had lost during the war?—I cannot say that we recovered the amount that had been lost during the war; but it began to revive immediately the war was over.

1128. You have stated that in the contract of 1868 with Messrs. Cunard the Post Office lost 30,000 *l.* which they had expected to receive for the homeward mails?—Yes.

1129. You had estimated that the outward service would be 43,448 *l.*; was there a loss on the outward postage as well as on the inward?—You will have the figures before you to-morrow, which will accurately show that.

1130. You were calculating that the Messrs. Cunard's, Burns, and MacIvor only demanded 1,500 *l.* a year in excess of that which they would be entitled to under the sea postage rates?—Yes; I should not like to commit myself to the amount of the loss, but my calculation was not realised by a considerable sum.

1131. The Committee were informed yesterday that in consequence of the telegraph system, correspondence with America was likely to decrease rather than increase, and that it was already making a considerable difference. Knowing the interest which you take in telegraphic matters, I should like to ask you if you believe that to be true?—I think it is quite impossible it can be true.

1132. You think that the telegraph does not interfere with the correspondence with America?—My impression is that telegraphs always increase correspondence.

1133. And it was also stated that in consequence of there being telegraphic communication it was not so necessary to have quick packets, but that slower packets and cheaper postage would be more appreciated?—The price of a telegram to America is 3 *l.* 7 *s.* 6 *d.*; I do not think that because one person can send a telegram to America another person ought to be deprived of sending a letter quickly for 6 *d.*

F. I. Scudamore,
Esq.

19 March 1869.

The Right Honourable *George Ward Hunt*, a Member of the House ;
Examined.

Right Hon.
G. Ward Hunt, M.P.

19 March 1869.

1134. You were Chancellor of the Exchequer last year?—Yes.

1135. And to some extent you were responsible for the contracts of the Post Office?—I should say principally responsible with regard to the financial part of them.

1136. The Committee would be glad to have any information from you which you may be kind enough to give about those contracts?—I am not aware what evidence has been given before the Committee until to-day ; I have been present during the whole of this sitting, and I have heard the evidence of the noble Lord the Postmaster General, and Mr. Scudamore ; perhaps I might refer to one or two points which arose in the course of the examination of both those witnesses ; first, with regard to the Papers being laid on the Table of the House, and the inconvenience and unfairness to the contractor of not knowing, when he commenced the service, whether the contract would be ratified ; my attention was called to that when I was Secretary to the Treasury ; we found that the recommendation of the Committee of 1860 had this disadvantage, that supposing a contract had to begin, say on the 1st of January, as in this contract, and Parliament was not sitting in the autumn, it was impossible to know, when the performance of the contract commenced, whether the House of Commons would ratify the contract ; we were in very considerable difficulty about that with regard to the Peninsular and Oriental contract, because that was a contract about which there was likely to be considerable difference of opinion ; we had to enter into a contract for a term of years, to commence at the beginning of the year, when, at the time, there was no chance of Parliament meeting before the commencement of the performance of the contract, and that was a question of very considerable embarrassment to the Government ; but it so happened that the Government thought Parliament should meet with regard to the Abyssinian question, and that relieved us of the difficulty with regard to the Peninsular and Oriental, because I was able to lay the contract before the House in November, with all the correspondence ; the Committee are well aware that one of the rules laid down by the Committee of 1860 is this, that if a contract lay on the Table of the House for a month without disapproval, it should be considered ratified, but that supposing Parliament does not sit for a month, it is necessary for some member of the Government to move the adoption of the contract, except you evade the rule laid down. Of course if the contract was laid on the Table, and Parliament adjourned, it might be said that after the month had elapsed the contract was valid ; but in that case of the Peninsular and Oriental contract I moved the ratification of the contract by the House, and the House assented to it. The same difficulty seemed likely to arise with regard to this American contract, but it was determined, and announced to the last Parliament, that it was the intention of the Government to advise Her Majesty to call Parliament together for the dispatch of business during December, and that relieved us of the difficulty. It was my intention to give directions for the whole of the correspondence to be placed on the Table of the House, along with the contract, on Parliament meeting in December, so that the opinion of the House might be taken upon the contract before the services commenced ; I have no doubt that, in consequence of the change of Government, this matter was not so fully considered as it would otherwise have been, and the consequence is, that we have now arrived at the month of March, the contracts having been commenced to be performed in the month of January, and the contractors do not yet know whether their contracts will be ratified by the House or not. That is a position of very considerable difficulty and inconvenience ; and supposing the House of Commons refuse to ratify the contracts, they will be in this position, that they may have performed the service under the terms of the contract up to this date, and yet will not be sure that they will receive the remuneration promised them by the contract. It is a question whether the rule laid down by the Committee of 1860 does not require modification on this ground.

1137. That is a question of hardship to the contractors from circumstances over which there was no control?—Yes, I thought the Committee might append to their Report some recommendation on the subject.

1138. But

1138. But the main point relates to the reasons which induced you to undertake these contracts with the Cunard and Inman Companies?—Yes; questions were put to Mr. Scudamore with regard to the view which he took of the recommendation of the Committee as to the terms on which contracts should be made, and as to what he understood by the rules laid down by the Committee; and if I might be allowed to follow out that point, I should like to call attention to what took place last year on that subject, showing that the House of Commons did not wish to bind the Government by a hard and fast rule. I think it is in order to allude to this, because some complaint has been made that the Government did not abide by the rules laid down by that Committee, but departed from them in an irregular manner. A question was put on the paper the other day by the Honourable Member for Manchester, asking whether these contracts had not been entered into in breach of the implied promise of the Government, and the speech of the Honourable Member for Lincoln, in moving for this Committee, I think it was very much in that sense. The Honourable Member for Montrose, who has been examined before this Committee, brought forward a motion in the House of Commons last year, to this effect: "That in the opinion of this House no postal subsidies in the form of a fixed payment and not dependent on the number of letters and newspapers carried, should be granted where the ordinary traffic supports several lines of passenger steamers, as is the case between this country and the United States of America;" so that the Honourable Member for Montrose sought to bind every Government by a fixed rule on the subject. It fell to my lot to answer him, and I pointed out the objections to any such fixed rule, that the Committee of 1860 had had this matter before them, and had recommended that it should be left to the discretion of the Executive, and that there might be some considerable embarrassment to the public service if such a fixed rule were laid down; it was put to the House of Commons whether there should be a fixed rule, and the mover withdrew his motion; therefore I say it could not be considered that the recommendations of the Committee were to bind the Government without any discretion.

1139. Will you let me read a question which was put to the Honourable Member for Montrose at the last sitting of the Committee; it is Question 631. "You are under the impression that the late Chancellor of the Exchequer had an understanding with you in reference to the withdrawal of your motion; that he would, in fact, do his best to avoid making contracts with large subsidies; did he not loyally try to carry that out last year? A. He did most loyally."—I should say with regard to the question of a private understanding, that I had no private understanding with the Honourable Member for Montrose last year; all that took place took place in the House of Commons in debate. I will now come to what induced me to offer the terms on the part of the Government, because I was myself the originator of a counter proposition; Mr. Scudamore has stated all the circumstances so fully that I need merely say that I believe he is entirely correct in his recollection, and that I endorse what he said. We endeavoured to carry out Mr. Baxter's scheme of having fixed days for different ships to convey letters for postage rates. We advertised for tenders; and as I stated in the House the other night, they were not responded to; but in order to understand our position, we ought to look at what took place the year before. We advertised the year before, and exactly the same companies made offers then as made them this last year.

1140. But on different terms I presume?—On different terms; but the competitors were the same companies as in this case, so that our advertisement did not bring any fresh companies into the field; I was led to suppose that the German companies, the Hamburg-American, and the North German Lloyd's, would not consent to start from Queenstown, and it appears to me that the services offered by those companies, with the exception of the Inman and Cunard Companies, would not be satisfactory to the public. None of those companies tendered in the form in which the Post Office invited; I was entirely convinced that the services from Queenstown were the best for the public, and it seemed to me that really the only way in which we could obtain an efficient service was to induce the Cunard and Inman Companies to abate their terms, and I was fully determined that the services should be as far as possible self-supporting, as I stated in the House of Commons.

1141. In the contract of 1868 I believe you did not induce Mr. Inman to
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Right Hon.
G. Ward Hunt, M.P.

19 March 1869.

abate his terms because he had tendered for the postage?—I am now speaking of the last tender; I alluded to the offers of 1868 to show what our choice was; we were limited to the companies that came forward on each occasion. It appeared to me that the only way of obtaining an efficient and self-supporting service was by endeavouring to induce the Cunard and Inman Companies to abate their terms. With regard to the length of time, I thought 10 years was too long, but at the same time I was fully impressed with the opinion, as I stated in the House during the debate, that you could not expect good ships to be put on the line unless there was security that the contract would last for a certain time, and I thought taking three years off from the time of the offer was not an unreasonable period to bind the Government for. With respect to the financial part of the transaction, as has been stated, I asked for an estimate of the amount which the postage of letters in the current year would come to, and it was stated to me by the Post Office that the best estimate they could make to us, 112,000 *l.*; I thought some margin should be left, and I struck off 7,000*l.*, leaving a balance of 105,000 *l.*; and I was under the impression if the three services could be done for that amount, that that was a very good bargain for the public. I should say that, in the previous year, I had personal communication with Mr. John Burns, on the part of Messrs. Cunard, and I thought I had understood from him what the views of the company were; I felt convinced it was very questionable with their company whether they would go on carrying the mails at all; I was quite certain, from what was stated on that occasion, that unless they got a contract for a certain time, and on terms which they could depend upon, they would abandon the service altogether; I therefore advised the Post Office officials to make the offer which has subsequently been embodied in the contract; I think that the date with regard to the question of responsibility of the late Government is rather important; I think my authority was given in the last days of September, and in consequence of that an offer was written by Mr. Scudamore on behalf of the Post Office on the 1st October, and that was accepted by Mr. John Burns on behalf of both companies on the 7th of October; the formal contract was not signed for some reason or other until sometime afterwards, but at that time the bargain was really completed.

1142. I find in the Postal Contracts, No. 77, there is a letter, No. 11, from Messrs. Cunard, Burns, and MacIvor, to the Secretary of the Post Office, dated the 28th of October 1868, acknowledging the receipt of a letter of the 27th of that month, accepting the tender for the conveyance of Her Majesty's mails to New York and Boston?—There was a question raised in the House as to when the contract was made. The offer was made on the 1st of October, and it was accepted by the Messrs. Cunard in a letter from them on the 7th of October. There were some minor questions discussed, and there was a formal communication from the Post Office a few days later; I was not aware of that the other day, but the actual contract was not signed until some days later.

1143. The final letter, when all the small points were settled, appears to have been addressed on the 27th of October?—Yes, the actual legal document was not signed until some time later; I am not sure whether it had not to be sent out to America for one signature. I have understood it has been suggested to the Committee that what ought to have been done when no tender was submitted to the Government, in the form proposed by the Post Office, was to re-advertise. First of all, I should observe that we advertised in two different years, and the same competitors appeared on each occasion. Therefore, there was no reason to suppose that any other competitor would be brought forward by re-advertising. Secondly, some time must elapse in advertising for tenders before receiving them, and we should have been driven to very near the period when the service would have to be commenced, and we should have been more entirely in the hands of those who had already offered than we were at that time; we were in a much stronger position for enforcing our own terms than we should have been later; therefore, I think it would not have been a judicious plan to re-advertise. Supposing our negotiations with the Liverpool Companies had broken down at the last moment, we might have advertised; but we were stronger without such second advertisement than we should have been with it. It must be remembered that some time is necessary after a bargain is made for a contract with a company, for them to get their fleet ready. And it is exceedingly undesirable that there should not be some interval between the time when the bargain is made and the time when the service is to commence. We were put to great difficulty the year before by

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Right Hon.
G. Ward Hunt, M.P.

19 March 1869.

reason of the late period of the year at which the arrangements were made. It was difficult to enforce our terms on the tenderers because so little time had elapsed since the old contract had expired, and I was anxious last year that the new arrangement should be made as soon as possible, so that we might be in a condition to commence the service. With regard to the terms, it is not without precedent that the inland postage should be added to the sea postage as a part of the subsidy paid to the contractor, and I have just had my attention called to a part of the examination of Mr. Frederick Hill, who, in answer to Question 538, states, with regard to the postage service, "The service to the Cape, which, when the packet service came into my hands, was productive of a very heavy loss to this country, was brought so nearly within that principle (viz., of being self-supporting) that the remuneration consists of the sea postage augmented by the inland postage." So that, so far as regards the Cape service, that principle has been adopted. The 105,000 *l.* to be paid for this service, taking the inland postage together with the sea postage, is now rather more than self-supporting; but with the increase of correspondence which may be expected according to what has taken place heretofore, there will be a very considerable balance in favour of the Exchequer before very long, of which either the Exchequer may reap the advantage, or which may be used in the way of reduction of the postage.

1144. Upon what do you base that?—Mr. Chetwynd, who has made that calculation, I understand is coming as a witness, and therefore I would rather not produce it now; I consider that the bargain which was made is a very good one for the country, because we have to continue throughout this term of years the same amount of subsidy, while the amount of the sea postage and general postage, which will be earned, will be very extensively in excess.

1145. You are basing your statement on the estimates furnished to you by Mr. Chetwynd of the Post Office?—Yes; I take the figures as sent.

1146. That is your belief?—My belief is that, supposing that the amount of the correspondence goes on increasing, there will be a large balance in favour of the Exchequer which may be used, if desired, in the way of reduction of the postal rate.

1147. But your belief of that must be based upon certain figures; you must ground the belief that it is an advantageous contract on certain figures which have been supplied to you?—I have been informed by the Post Office that the correspondence has been increasing year by year, and supposing it to go on increasing, whatever the figures are, there will be some gain to the Exchequer, more or less, according to the figures.

1148. You remember some instances which were given by Mr. Scudamore; we must look back to 1867 as well as 1868; you remember the basis of his calculation which induced the Government then to accede to a contract for a year with Messrs. Cunard?—Yes.

1149. And you remember that he to-day admitted that on the return postage alone there is a loss of 30,000 *l.*, and he thinks that it may be nearly 40,000 *l.*?—That is another question altogether, because this contract only provides for the outward correspondence; with regard to that special contract of last year, Messrs. Cunard were to convey the correspondence outwards and homewards, and they were to allow the Post Office to receive the postage paid by the American Government for the homeward letters.

1150. Mr. Scudamore estimated that loss at 30,000 *l.*?—Yes.

1151. And he admitted that his estimates were 7,000 *l.* or 8,000 *l.* wrong upon the home postage; I am speaking of the loss upon the combined services, namely, the Inman and the Cunard?—Last year's estimate for the Cunard service was framed on the supposition that we should receive a certain amount from the United States Government for postage home, but we did not receive it, and this is merely based upon the amount of outward postage to America.

1152. Taking altogether out of the calculation 43,000 *l.*, which it has been estimated we have received for the postage home upon the contract with Messrs. Cunard for the year 1868, there is a still further loss?—There is another element in the calculation. After that calculation was made a discussion arose in the House with regard to the employment of the Hamburg-American Company. It was brought forward by the present President of the Poor Law Board, and he urged, in common with many others, that a contract should be made with that company. In deference to their opinion a contract was made, and of course the sea postage earned by that company must be subtracted from the estimate which was made of the probable earnings of the Cunard Company.

Right Hon.
G. Ward Hunt, &c.

19 March 1869.

Consequently the estimate was disturbed by that, as well as by the failure of the United States Post Office to send back the same amount of correspondence as was expected by the Cunard line. Of course, with regard to these figures, you will have the best authority upon the subject, and it is impossible for me to go into detail about them; but I only state to the Committee the estimate which I had given to me, and also my knowledge that the correspondence was yearly increasing.

1153. You have stated that you only received tenders from certain companies, and that Messrs. Inman and Messrs. Cunard almost dictated their own terms with you?—When?

1154. For the last contract, that if you wished to have the service from Queenstown, Messrs. Inman and Messrs. Cunard were the only parties who made an offer?—I should not say that it was correct that they dictated their own terms; their terms were 11 years and 150,000 *l.*; we reduced the term by three years, and we reduced the amount by 45,000 *l.*; it is practically eleven years and eight years; but I think that it is not quite accurate to state that they dictated their own terms, considering that we reduced the period by three years, and reduced the amount by 45,000 *l.* on the three services.

1155. You consider that they were placed at an advantage in negotiating with you, as being the only firms at Liverpool who did so?—No doubt.

1156. Do you not think that your conduct with respect to the contracts of 1867 had a good deal to do with strengthening their hands; I will refer you to a letter which you received from Mr. Inman, dated 22nd November 1867, in which he says, "I tendered to advertisement in full faith that the Post Office had fixed the pay, and I think even now others will do it if Cunards will not; our steamers are as good as Cunards'"; and he goes on to say, "If, then, Cunards' not tendering according to advertisement receive their own terms, may I hope that I may give six months' notice, and obtain equally high terms? I respectfully press for equality with hitherto most highly-favoured competitors, or in other words, that they may be reduced and my company advanced to what has been hitherto Ocean Mail Postage; as I understand, it is a matter for the Cabinet; may I hope this may be submitted before a final decision?" Mr. Inman had tendered according to your form?—Yes.

1157. And you accepted him; but while accepting him, you gave Messrs. Cunard more favourable terms?—Yes, because we had no other competition for that service.

1158. Do you not think that by doing that, if Messrs. Cunard and Messrs. Inman agreed to join together, you gave them a very great advantage as against the Post Office?—I do not see it in that light. I believe that the circumstances that they were the only companies who were prepared to contract for services from Queenstown gave them an advantage; it was not the way in which we dealt with them, so much as that if they combined they had practically the monopoly from that port.

1159. If there had been no intention to combine, would not the Inman Company have been a rival company to the Cunard Company?—Yes.

1160. And instead of putting the Inman Company on fair terms with the Cunard Company, you still gave the Cunard Company a very considerable advantage as compared with the Inman Company, who had offered to tender?—I suppose that they had found that they were the only companies whose ships called at that port, who were willing to contract; and finding that, I suppose that they thought that by combining they could obtain good terms from the Government. The Government has only an opportunity of beating down the contractors by competition. If you have no competition, of course the position of the persons who tender is very strong.

1161. Having accepted the tender of Messrs. Inman at that time, do you not think that the Government, instead of giving Messrs. Cunard a more favourable contract, ought properly to have advertised, or communicated with some of the other companies upon the subject?—You are now getting back to the temporary contract of 1868, made in 1867. If you are going into that contract, we must go into the circumstances of it, the time of year at which we had to make our decision, and the possibility of providing for the service in another way. It was a matter which was very fully discussed in the House of Commons, and I believe that the House of Commons was satisfied that we made the very best arrangements under the circumstances; but if you wish to go into the reasons,

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24/5
 Right Hon.
 G. Ward Hunt, M.P.

29 March 1869.

I am quite prepared to go into them. I think that it was only six weeks before the service had to be commenced that we had to make our decision.

1162. The six months' notice was given in July, and this letter of Mr. Inman's, a portion of which I have read, is dated the 22nd November?—Yes.

1163. That was after the contract had been given to Messrs. Cunard?—That, I think, was rather an exceptional contract, because it was only about six weeks before the service had to be commenced, and the Government were in a very great difficulty, because there was no offer whatever for a Saturday service, I mean a Sunday service, from Queenstown. That was found by experience to be a matter of great importance to the merchants of this country, and it was thought that, looking to the mercantile correspondence, there would be very great inconvenience unless such a service was provided. We had no person willing to perform that service except Messrs. Cunard, and the question was as to the amount, and under those circumstances we were placed at a very considerable disadvantage in negotiating with them. We, I believe, made the best bargain which we could at the time, and I am not aware that anything which we did then at all weakened our hands in the negotiation which we had in the subsequent year. I believe that it was the circumstance that Messrs. Cunard and Messrs. Inman were the two companies willing to perform services from Queenstown, and the fact of there being no competitors which strengthened their hands.

1164. You heard the answer of Mr. Scudamore, that the United States are getting their work done mainly at our expense?—Yes.

1165. You scarcely consider that to be a right and fair thing?—No; but I do not know whether it can be avoided under the present system. I do not know what their regulations are, and what powers are in the hands of the Government.

1166. The United States, at all events, are able to get their tenders accepted on very much lower terms than ours?—I am not aware what powers are in the hands of their Government with regard to making contracts, but when I came into office I felt that our hands were very much tied by the rules laid down by Parliament. We have to lay all contracts upon the Table of the House, and to get the approval of the House to them, and then we have to arrange these contracts accordingly, as to when they are to commence and when they are to be ratified, and we have to fix certain times. Our contractors are anxious to get what they can for the homeward voyage, and no doubt the American Government have a great advantage in making their bargains afterwards. There is another great disadvantage which we are always under in contracts, namely, that if Parliament is sitting questions are being constantly put in the House as to what is going on, and a great many Members of the House, whose friends, if not themselves, are commercially interested in contracts, put questions in the House respecting the negotiations. I am perfectly certain that one of the last important contracts which were made was not so advantageously done as it might have been if Parliament had not been sitting.

1167. I have always understood that there is much more interference by members of Congress than in the English Parliament?—It may be so; we endeavoured, by a convention with the United States, to obviate that, so that it should not cost us any more than it cost the United States, but we were unable to get them to accede to the terms; if we had been able to get our way, I think that the observation of the Honourable Chairman on the subject would not have arisen.

1168. Mr. Seely.] I think that on the debate, when I moved for this Committee, you stated that the sum received for the outward mails to the United States in the year 1868 was 101,700*l.*?—Yes, the estimate given me by the Post Office was, I think, 101,000*l.*

1169. For the sea postage?—£.101,000, I see from the Paper, was the amount which I received from the Post Office; I am not prepared to be exact as to how it is made up, and I believe that Mr. Scudamore thinks that there may have been some error in it.

1170. When you gave that statement what was the impression which you wished to convey to the House; did you wish to convey to the House that the 101,000*l.* was calculated on receiving 6*d.* or 4*d.*?—I understood that that was the sea postage.

1171. That is 4*d.*?—Yes.

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Right Hon.
G. Ward Hunt, M.P.

19 March 1869.

1172. Then from the estimate of 112,000 *l.* which it is said was received, one-third would have to be deducted for inland postage?—No doubt.

1173. A question was put to you with regard to not advertising, and I think that you were quite correct in not advertising a second time; but do you not think that it might have been as well to have applied to the other parties who tendered, as well as to Messrs. Inman and to Messrs. Cunard?—I was under the impression that their engagements in other countries would prevent their calling at Queenstown.

1174. I think that in the tender of the Hamburg Company there was a memorandum at the bottom, that if the conditions were not exactly what the Post Office wished, they would be inclined to modify them?—Yes.

1175. Mr. *Hamilton.*] I think that you said that you had come to a determination in your own mind that, if possible, these services should be self-supporting?—Yes.

1176. Did you mean self-supporting in the sense of being supported by sea postage, or by sea postage and inland postage, too?—That they should be supported by sea postage alone, if possible.

1177. That is not the case?—That is not the case in this year, but I think that it will be the case, and more than the case, if the contract is ratified for the term.

1178. Through an increase of correspondence?—Yes; because if the correspondence goes on increasing while the payment remains the same, I think that even for the sea postage there will be a considerable balance in favour of the Exchequer.

1179. From the information which you have derived from the Post Office, have you come to the conclusion that the correspondence with the United States does increase considerably from year to year?—Yes; I know, from all the matters with which I have had to do in connection with the Post Office, that the correspondence increases.

1180. You have also stated that the Government could not expect good ships to be put on the line without some security as to time?—Yes.

1181. Is it not the fact that the Inmans' vessels, which are almost on a par with the Cunard vessels, have been put on the line without any postal arrangement at all, and without any security as to time?—Yes; but I am not at all sure that they have not been anxious to get into the postal service, and we have always thought that they have been glad to get in the thin end of the wedge.

1182. You think that it is not improbable that the prospect of getting a subsidy has been an important inducement to these other lines?—I think that it is very possible.

1183. It was stated to the Committee, yesterday, by more than one witness, that there was no reason to suppose that the immediate termination of these contracts would lead to any serious inconvenience; is that your opinion?—My opinion is that it would lead to very serious inconvenience.

1184. You think that there would be no immediate means of forwarding mails either with equal speed or with equal regularity?—I think not. Of course my views are very much derived from the Post Office; that is my impression. I do not think that there would be no means of forwarding the mails, but I think that there would be a very great inconvenience as regards the irregularity of the delivery.

1185. Of course there would be the means of forwarding the mails, but regularity and punctuality and dispatch would be sacrificed?—I think so.

1186. Was it ever brought under your notice that these contracts contain a great many what may be called non-postal conditions?—I believe that they do contain some; there is one with regard to taking the ships in case of war.

1187. There are many such conditions?—There are some others.

1188. Was it brought under your consideration, whether it might not encourage tenders if those non-postal conditions were done away with?—I do not think that my attention was particularly called to any such conditions except that one, that in case of war the ships should be at the service of the Government, but I considered that those conditions were very much matters to be discussed between the Post Office and the Admiralty. In the Report of the Committee of 1860 there was a recommendation that the condition of postal contracts should be submitted to the Admiralty, and I believe that that is done.

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345

I did not think that some of those minor conditions were particularly matters for me to consider.

Right Hon.
G. Ward Hunt, M.P.

1189. In your communications upon the subject with the Post Office authorities were you pressed with what Mr. Scudamore called "hereditary conditions?"

19 March 1869.

Mr. Scudamore.] We struck out the Admiralty clause from the contract, and at the request of the Admiralty, made very strongly to the Treasury, it was inserted again.

Mr. Ward Hunt.] I remember it perfectly well.

1190. But are there still what come under Mr. Scudamore's definition of "hereditary conditions" in these contracts?—Yes.

1191. You say that the action of the Government is very often impeded by the publicity of its proceedings in an inchoate stage of these negotiations?—Yes.

1192. But those Parliamentary rules only apply to the cases of contracts when the remuneration is to proceed from monies voted by Parliament?—Yes.

1193. If, therefore, the remuneration was by means of postage, that is to say, paying for results and for services rendered, I do not suppose that the Parliamentary rule would apply at all?—Yes; I think that if it was for a term of years the rule would apply. The question, I think, is as to a term of years. I do not see the expression now, but my recollection is that it is a question whether the contract was made for a term of years, or not; and that if it was only made for one year, there would be no occasion to obtain Parliamentary ratification.

1194. I thought that that arose after the determination in the House of Commons to keep the appropriation of public monies entirely within its own control, and that therefore the rule would not apply in the case of remuneration being paid out of ocean postage or any postage?—I cannot find the words; I feel nearly certain that it is as I have stated, because when we laid the contracts upon the Table last year, a question arose at the Treasury whether they were to be laid upon the Table or not, and I remember saying that I thought that it was desirable that they should be laid upon the Table, although the contract was only for a short time.

1195. Sir Massey Lopes.] You mentioned that the contract was taken on the 7th of October; can you say at what period the late Government went out of office?—I think that it was upon the 3rd of December.

1196. So that there was an interval of nearly two months between the acceptance of that contract and the late Government leaving office?—Yes.

1197. Mr. Graves.] In the course of the evidence to-day, I dare say you have gathered that new proposals have been made since these contracts have been called in question; are you sufficiently conversant with the nature of these offers to be able to give any opinion to the Committee as to whether they at all alter your views as to the propriety or the non-propriety of the arrangement which you made?—Not at all; I do not know that that would enter into the consideration of the question. It seems to me that all that one has to look to is, what were the materials for forming a decision last October? Tenders may be very different in March 1869 from what they were in October 1868. I know nothing about any subsequent offers; I have been out of town for two or three days, and only came back yesterday, but I do not imagine that the Committee has been instructed to receive new tenders for the service.

1198. Chairman.] We have nothing to do with tenders; is there any other point which you wish to mention?—No.

Mr. Andrew Duncan; further Examined.

1199. Chairman.] I BELIEVE that you wish to correct something which you stated in your former examination?—On my former examination I answered certain questions to the best of my knowledge at the time, and promised to ascertain the facts; I beg now to state the account which I have received. There has been a mistake, and instead of pounds sterling it was Prussian thalers—it was 30,000 Prussian thalers. The Hamburg-American Company sent this tele-

Mr. A. Duncan.

Mr. A. Duncan.
19 March 1869.

gram to us, which I received yesterday afternoon, but just too late for the sitting of the Committee: "Prussian Government pays us two silber-groschen single letter rate, and for newspapers four silber-groschen per thousand grammes. Last year we received about 5,000 *l.* for outward German mail in 44 voyages, great portion of German letters going by closed mail, *via* England. Now having sufficient number, fast steamers will make 52 weekly voyages this year under Prussian mail contract. We get from Havre to New York about 5,000 ship letters per voyage, 10 centimes each, pending result of arrangements for French mail contract; that is, 2½ *d.* for the Berlin letters and 1 *d.* for the Havre postage."

1200. What is paid for the Berlin letters?—Something between 2 *d.* and 2½ *d.*, per single letter; and from Havre 10 centimes each pending the result. There is a second telegram which they have sent to us this afternoon: "In explanation as to price asked from Queenstown, we point to great cost and inconvenience of our having to come all the way from Hamburg *via* Havre. Were our ships starting from Liverpool, we might of course do it much cheaper." That is with respect to the offer of 25,000 *l.*; one of our steamboats accomplished last night the quickest passage ever made from New York to Cowes; here is the log, and upon one occasion she did 368 miles in 24 hours; that is 15½ miles per hour the whole day; she accomplished the voyage from New York to Cowes under nine days; the name of the ship is the "Holsatia."

Mr. Thomas Wallis; further Examined.

Mr. T. Wallis.

1201. *Chairman.*] I THINK that the information which you have to give is almost the same as that which Mr. Duncan has just given?—Yes.

1202. Have you also communicated with your company to ascertain what you receive per letter?—Yes; it is two silber-groschen a letter.

1203. That is 2½ *d.* for a half-ounce letter?—Yes, and upon the average there are about three letters to the ounce; it is about 7 *d.* per ounce.

1204. Have you the rate for newspapers?—No; but Mr. Duncan has already given it to the Committee.

1205. The total amount for papers and letters received last year does not exceed 6,000*l.*?—That is so.

1206. To Mr. Duncan.] What is the postage for newspapers?—It is 5 *d.* for 2 lbs., that is 2½ *d.* a lb.

Mr. William James Page; Examined.

Mr. W. J. Page.

1207. *Chairman.*] WHAT is your position in the Post Office?—I am Assistant Under Secretary; will the Committee allow me to say that I have ascertained from the Clerk of the Committee that this convention with the United States has been laid upon the Table of the House, and also that not knowing that I was to be examined in any way, I am only speaking from recollection; I think that I know the circumstances connected with the conclusion of the convention, but I have no papers with me to confirm anything which I may say.

1208. On what points do you wish to speak; is it with regard to the convention?—I do not volunteer anything; I thought that the Committee wished to examine me. I think that what the Committee desire to know is, in what points the convention concluded last year differed from the convention concluded the year before?

1209. I certainly wished to know that?—I believe that immediately after it was decided to terminate the convention entered into in 1867, the Postmaster General determined to send somebody out to America with a view of endeavouring, by personal communication, to see whether a better convention might not be made, a convention more in accordance with the views then entertained by the Post Office; I think that the principal point to which the attention of Mr. Trollope, who was sent out, was directed, was that of inducing the American Post Office to join with us in making a contract or contracts for the conveyance of the mails upon equal terms; his instructions desired him to endeavour to do this in various ways; if we could not make joint contracts, he was to endeavour to get them to agree to a uniform form

14/4
 Mr. W. J. Page.
 19 March 1869.

form of tender being issued in the two countries; in that respect he entirely failed; the consequence was that the convention which was concluded in 1868 differed in very few particulars from the convention of 1867; in the instructions given to Mr. Trollope, his attention was called to certain minor points in the convention of 1867, which seemed to require alteration, and in these particulars the United States, I believe, agreed in all respects. Upon looking over the convention, I see that the first alteration is, that whilst the Convention of 1867 left each office at liberty to collect what rate of postage it thought proper upon a letter, provided that that postage did not exceed a certain sum, the Convention of 1868 fixed an equal sum to be collected in both countries; in like manner, with regard to an unpaid letter, whereas the Convention of 1867 left each office at liberty to make what surcharge it thought proper on such unpaid letter when received, the Convention of 1868 fixed the amount to be collected by each office on an unpaid letter. The Convention of 1868 further contained a paragraph in which the two offices undertook that, at the end of 12 months from the commencement of that convention, the question of a further reduction of the letter rates of postage should be considered. The Convention of 1868 reduced the charge to be levied in the United Kingdom on a newspaper for the United States from 2 *d.* to 1 *d.*; I ought, perhaps, to say, that we did not consider the charge of 2 *d.*, which was made under the Convention of 1867, too much; but, as the United States were only levying 1 *d.* on newspapers sent to this country, we preferred reducing our rate to 1 *d.* to leaving the rates unequal in the two countries; the next alteration was a very slight one; instead of fixing the postage on book packets, and samples, at a certain sum for 4 oz., it fixed a certain smaller sum for packets exceeding 1 oz. or not exceeding 2 oz. I believe that the only remaining alteration was, that, whereas the Convention of 1867 had decided that the two offices should fix by mutual agreement the transit rates to be paid by one office to the other, the Convention of 1868 fixed those amounts, there having been time while the Convention of 1867 was in operation to ascertain what was the right sum to be accounted for by one to the other. There was also a deduction made of one cent (one halfpenny), in the charge to be made by the United States upon a letter sent through England addressed to the United States. With those exceptions I believe that the Convention of 1868 agrees with the Convention of 1867.

1210. Was there any great difference of principle in these Conventions:—The charge on letters being fixed is rather a difference of principle.

1211. There was a difference in principle, namely, that the Convention of 1868 fixed a minimum rate?—The Convention of 1867 allowed each office to collect what it liked, provided that it did not exceed a certain maximum; the Convention of 1868 actually fixed the rate.

1212. Were there penalties at any time in the contracts with Messrs. Cunard?—There never were penalties for excess of time on the voyage; there were penalties for not having a vessel on the appointed day; I am not aware of any other penalties.

1213. Mr. Graves.] Have they ever failed to have a vessel on the appointed day?—I think that I may safely say that they never have.

[Adjourned to To-morrow, at 12 o'clock.

349

Saturday, 20th March 1869.

MEMBERS PRESENT:

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| Mr. Dent. | Mr. E. T. Hamilton. |
| Mr. Graves. | Sir Massey Lopes. |
| Mr. Greaves. | Mr. Seely. |

JOHN DENT DENT, Esq., IN THE CHAIR.

Russell Sturgis, Esq.; Examined.

1214. Mr. Graves.] ARE you a partner in the house of Messrs. Baring Brothers?—I am.

R. Sturgis, Esq.

1215. Have you formed any opinion as to the efficiency and regularity with which the mail service is conducted by the Cunard and Inman lines?—Yes, we find that it is conducted extremely to our satisfaction, with great regularity, so that we are able to-day to make arrangements accordingly; for example, to-day I am able to attend the Committee here, because yesterday afternoon, finding that there was no telegram that the steamer had arrived at Queenstown, I knew we could not have letters this morning and should not have them till Monday. This morning I had a telegram from Queenstown, by which I know that we shall have them on Monday. I mention that to show the regularity upon which we can count.

20 March 1869.

1216. You attach some importance to that great punctuality?—Yes, in the same way as I should to the importance of mails going out at night for the Continent, going out at a certain hour instead of an uncertain hour.

1217. Regularity is a most important feature?—Yes.

1218. Do you think that the proposal of having three services in the week, as arranged under these new contracts, will give satisfaction to the mercantile community?—It will be quite as much as required, undoubtedly.

1219. Do you generally write by Queenstown, or by Southampton?—Queenstown invariably; in the case of the Southampton steamers, it is not the commencement of their voyage; they come from Germany, and they may be delayed by stress of weather, so that we do not know when our letters may go by the Southampton steamers; but in the case of the Queenstown steamers, we know that if we write to-day a steamer will be waiting there to-morrow, and will be sure to leave to-morrow afternoon. There is another point with regard to Queenstown, which strikes me as a very important one, that is, before the Queenstown arrangement we had all our letters to finish on Friday night; that sometimes drove us so very hard that, when I was one of the junior partners, I have frequently been obliged to take a cab at eight o'clock, and rush up with a whole bag of letters to catch the train at Euston-square, and put them into the bag, paying 1s. upon each letter, because it was our last chance. Now we finish off our letters on Friday night, as many as we can; then we have Saturday, in which to write any that we could not finish on Friday, and we have also the opportunity to answer letters which, in the summer, we get on Saturday morning. All that is a very great advantage which we have in having Queenstown as well as Liverpool.

1220. Do you consider it is very desirable that the delivery of letters should be as much as possible simultaneous throughout the whole country?—So far, as

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R. Sturgis, Esq.

20 March 1869.

may be, because otherwise it enabled, perhaps, parties, who got possession of theirs first, to act upon their information to the great detriment of those who do not get theirs. People who were lucky enough to get letters on Saturday afternoon might have a great advantage over London gentlemen who did not get theirs till Monday morning. It often happens that letters are delivered in Paris before they are delivered in London. Steamers get in in time to enable letters to reach the Post Office on Saturday night, which letters go over to Paris, and are delivered on Sunday morning, while we do not get ours till Monday morning.

1221. Would the simultaneous delivery be as well effected by Southampton as by Queenstown; I mean with reference to the United Kingdom?—It is more uncertain; I am not sufficiently conversant with the running of the mails to tell you that. There is no question about the going out that it is a great advantage to have a departure by Queenstown, because the Southampton line is so very uncertain.

1222. It has been stated here that, owing to telegraphic communication, it is not so necessary now to have speed in the transmission of mails; do you agree in that opinion?—No; the telegraph is a very short and uncertain communication, and almost every telegraph message ends “we write,” and it is exceedingly important as soon as you can to confirm any telegraph message.

1223. In the event of the House of Commons refusing to ratify the arrangement made with Messrs. Cunard and Mr. Inman, what, in your opinion, would be the effect upon the commercial correspondence of the country?—I think very serious; in summer, I dare say, it would do very well, when the steamers were running full of passengers, and there was fine weather; but the moment the month of December arrived, I am afraid that Messrs. Cunard and Mr. Inman would lay up their steamers and not run them at all; we should have only summer business. I am under the impression that none of the steamers pay at all for running in winter; they may have 20 or 30 passengers perhaps; I am under the impression that they would lay up their steamers in the winter.

1224. Are you of opinion that we could not calculate upon a regular service throughout the winter?—I think not.

1225. Mr. Seely.] You do not think it is desirable that there should be a mail service from Southampton to New York?—We do not use it at all, or very little.

1226. Am I to infer that you do not think it desirable?—A merchant does not like to say it is not desirable to have as many steamers run as possible; sometimes it does happen that we want to ask a question on a day when the Southampton steamer sails, and we may get 24 hours gain by it; but it is an exception to the rule.

1227. Are you aware that a number of bankers, merchants, traders, and others, in the City of London, petitioned the Duke of Montrose, when he was Postmaster General, to put on a weekly service from Southampton to New York?—No, I was not aware of that.

1228. Will you look over that list of names, and see whether they are highly respectable (*handing a paper to the Witness*)?—As far as I know, they are very respectable indeed; some of them are local bankers, who would not have much interest in the mails, and they must have signed to oblige constituents, I should think.

1229. What is the first name?—Baron Rothschild.

1230. Has he any influence?—I should say a good deal; I see amongst them a great many large warehousemen; I do not know that they have any particular interest in the mails from America; they might have from Germany to Southampton; however, it is a respectable list; I do not see my firm upon it.

1231. It is your opinion that if Messrs. Cunard and Mr. Inman had no subsidy, we should have no boats running to the United States regularly in the winter months?—I think so, clearly.

1232. Are there no boats running regularly to New York, from this country, in the winter months, except those that are subsidised?—I should think not.

1233. If you found that there were lines of steamers running regularly to New York weekly, through the winter as well as the summer, would that alter your opinion?—That would show that my opinion was wrong; my opinion is based on the knowledge that it cannot pay; for instance, take a large steamer like the “Scotia,” running in January, the number of passengers she would carry

carry would be so small that she would not pay; therefore, upon mercantile principles, I should suppose that they would lay her up.

1234. Your opinion is briefly this: that unless the English Government pay a fixed and tolerably large subsidy to some line of steamers, there would be no regular communication between this country and the United States in the winter months?—That is my opinion.

1235. Are you aware what the practice of the United States is with reference to the conveyance of mails from America to this country?—They have the benefit of all our service; they have the Cunard and the Inman line; they once established a Collins line.

1236. *Chairman.*] Do you of your own knowledge know how the American Government deal with the Post Office contracts?—They have no Atlantic contractors, I think; I take it that the postal arrangements between the two companies are made between the two Governments.

1237. *Mr. Seely.*] Do you think that these subsidies have a tendency to prevent the rate of postage being reduced to the United States?—On the contrary, if the vessels are subsidised they can afford to take less postage.

1238. As I understand, you suppose that there would be no objection to reducing the rate of postage even though we pay 105,000 *l.* to Messrs. Cunard and Mr. Inman for taking the mails to the United States?—I do not know how the present postage pays the Government; of course they might pay the 105,000 *l.* and carry the letters free if they liked, but I suppose their object is to pay the 105,000 *l.* back again by postage, and if you only paid half the amount you would only have to charge half the postage.

1239. Supposing we could get the mails carried for less money to America we might be able to reduce the rate of postage to America without any loss to the Exchequer?—Yes, apparently.

1240. Do you attach any importance to reducing the rate of postage?—No, I do not; I have never heard any complaint; it has been reduced lately.

1241. You think 6 *d.* quite low enough?—I think so, I think people are satisfied to pay 6 *d.* with the present regularity rather than 3 *d.* and have less regularity than we have now; the great point with the merchant is to be sure that his letters will go at a certain time, and that they will arrive at a certain time; that certainly we have now.

1242. It so happens that there are in this country other people besides merchants?—Yes.

1243. And there are poor men as well as rich men?—Yes.

1244. Do you not think poor men have an interest in getting the rate of postage reduced?—A poor man would not be likely to receive many letters, so that his interest would be comparatively small; the great interest in the mail service is the mercantile interest.

1245. Do you think that no other interest but the mercantile interest ought to be considered with reference to the transmission of letters to the United States?—I should think that was the leading interest to be considered, unless there is a Government interest.

1246. *Mr. Hamilton.*] I understood you to say that you, as a merchant, attached the greatest importance to punctuality in the transmission of letters to and from the United States?—Yes.

1247. But you did not express any opinion as to the mode by which that punctuality can be secured?—It is secured by the present mode, whatever it is; there is extreme punctuality at present; as I was saying just now, I can arrange all my movements and engagements according to the time when the mails will arrive; for instance, if we do not get our letters on Saturday, I am so sure we shall get them on Monday, that I should not make an engagement for Monday morning; that regularity and punctuality are important things.

1248. We are all agreed upon the importance of punctuality; the question is whether a contract of this kind, which is based upon a fixed annual payment, is necessary to insure that punctuality?—We can only speak by present experience.

1249. You mean you have no experience of any other system?—Yes.

1250. Do not you think the time has arrived when we might adopt another system of free and open service, by which we might ensure the same punctuality across the Atlantic?—Not in the winter; in the winter, I think, we should have very few steamers; they would only go when they could get valuable freight, or a number of passengers.

R. Sturgis, Esq.

20 March 1869.

1251. Do you suppose, if the subsidy were not sanctioned, that any of those steamers now plying across the Atlantic would go into some other service?—I should think they would, beyond all question.

1252. Are you aware that a great many ships of equal quality, the best of the Cunard line, have plied across the Atlantic many years without any subsidy?—Perhaps in hopes of getting one; take the case of a ship like the “Scotia,” which is a paddle-wheel, or the case of the “Russia,” which is a screw; neither of those vessels, I am confident, does more than just pay its way, even with the Government subsidy; I speak of those two, because they are rather larger than the others.

1253. Is it your opinion that, if the inducement of this fixed subsidy did not exist, those first-class steamers would be taken off the line?—I think so.

1254. Is there any other equally remunerative service that they could be employed in?—That I do not know; as they would not pay in this service, they had better take them off and lay them up entirely; I suppose they would be so; they might go to Australia; at any rate they would lose money in the winter every voyage they made.

1255. Is it your opinion that there would be any interruption of serious consequences to commercial correspondence if this subsidy were withdrawn?—Yes, I should think, in the first place, there would be an end to regularity; there being no obligation on the part of the steamers to leave at certain times, and to deliver their letters at certain periods; a very serious interruption to correspondence would be created.

1256. Is not their own interest a sufficient inducement to them to keep time as to the hours of departure?—It is not like having a Government contract which compels them under pain of forfeiture to depart at a given time.

1257. Is not it within your knowledge that other vessels, not under Government contract, keep their time punctually as to the hours of departure?—No, it is not; we are in the habit of relying almost entirely upon the Cunard and Inman lines as being those that are sure to keep time.

1258. Do you think that there is any real ground for apprehending that there would be any interruption to the service; do you not entertain that impression because for a great number of years you have been in the habit of relying upon this subsidy?—Yes; probably the past experience of the great convenience of it is the cause of arriving at that conclusion.

1259. Sir Massey Lopes.] You say your firm have very large transactions with the United States; are your firm and other leading merchants, as far as you are able to gather their opinions, satisfied with the way in which Messrs. Cunard have fulfilled their contract?—Quite so.

1260. We have heard something with regard to Messrs. Cunard’s slow boats, as they are called, I mean the Tuesday boats; have you been dissatisfied with the way in which those boats perform their service?—No, we do not rely so much upon them for letters as upon the others.

1261. You have not heard, and you yourself have not expressed any dissatisfaction at the way in which they have performed their service?—On the contrary, so far as I know from passengers who have lately gone in them, they seem to be extremely well-satisfied; they say the number of passengers is increasing very much by them.

1262. Are you of opinion that, in any arrangement made by the Post Office, it should be imperative that all the mail steamers leaving this country should touch at Queenstown?—Yes, it is very important that they should touch at Queenstown.

1263. You said just now that, if there were no subsidy arrangement with Messrs. Cunard and Mr. Inman, you would be fearful that there would not be the same regularity in the boats leaving this country in the winter?—Yes.

1264. You are not afraid that there would be no boats, but you fear that there would not be the same regularity?—Yes; because the departure of the boats would depend upon when there was enough freight and passengers.

1265. You look upon regularity as an important point in commercial matters?—Yes.

1266. Chairman.] Are you aware that the Inman boats were under no contract whatever with the British Government till 1868?—No, I was not.

1267. Have

1267. Have you ever had any reason to complain of the delivery of the homeward mails from America by any line?—No.

1268. Are you aware that the American Government does not subsidise any line of packets?—I am not aware that they subsidise any line.

1269. Are you aware also that Mr. Inman ran his steamers regularly through the winter at the time they were not subsidised, and when he had no contract with the British Government?—I could not speak positively to the point; but I am under the impression that he did.

1270. And he provided a fleet equal to that of Messrs. Cunard at the time he received no subsidy, and had no postal contract with the British Government?—I am not sufficiently conversant with the Inman line to say that it was a fleet of steamers equal to the Cunard line, but they were good steamers and they ran as regularly as the others.

1271. Mr. *Hamilton*.] You said that three weekly services were as much as could be required?—Yes, I should think so.

1272. Did you mean that it was a little more than was required?—No; some more energetic and zealous merchants than I am would like to write every day; but I find three times a week often enough.

1273. I gathered from the way in which you made the observation that you thought two would do?—No, I should be wrong in saying that, because it often happens that we have very important letters to write, and we should be very glad to find that there was a third line; I do not suppose that we should be put to any very serious inconvenience if there were only two; I may, perhaps, be a little selfish in that, because I should not have so much work to do.

1274. Mr. *Seely*.] You are aware that Messrs. Cunard have certain boats which are called "fast boats," and certain boats called "slow boats"?—Yes.

1275. How much longer do the Tuesday boats take in performing the voyage?—They take a day longer.

1276. Sometimes two?—Yes.

1277. Sometimes three?—No.

1278. Have they never been three days longer?—I know they have been; sometimes they have been 16 days, but I know instances in which the regular boats have been 16 days during this winter.

1279. If it should happen to be the fact that the Cunard boats leaving on Tuesday have been overtaken almost invariably during this year by boats leaving on two and even three days later, would that alter your opinion with regard to the satisfactory way in which they perform the service?—I should call it a defective service if they were three days later, or if they were overtaken by the Inman boats sailing next day from Liverpool. I do not suppose that Messrs. Cunard profess that those steamers of theirs would go as fast as those of Mr. Inman.

1280. You would not consider, if that were the fact, that the Tuesday service would be of any value to the mercantile world?—Not if the Tuesday boats were constantly overtaken by the others.

1281. Sir *Massey Lopes*.] Supposing this existing arrangement was abruptly terminated, what do you suppose would be the effect of it in the commercial world, judging from your own experience?—A serious interruption to the present regularity; a serious disturbance of all our arrangements under which we look for letters on Saturday morning or Monday morning without fail now; in the summer on Saturday, and in the winter on Monday.

1282. Mr. *Hamilton*.] You mean a serious interruption to the commercial world if the Postmaster General was not able immediately to make some eligible arrangement?—Yes, till he did make one.

1283. You do not express any opinion as to the possibility of his making an arrangement?—Of course, there can be no impossibility of his making an arrangement.

1284. Instead of possibility, I would say probability: do you or not think he would be probably able to make as desirable an arrangement as at present, an arrangement that would equally well meet the requirements of the commercial public?—It is a matter of opinion; this fleet is already afloat, a very powerful fleet, and they do the business with great regularity; but whether the Postmaster General would find another fleet of steamers that would do it as well is a mere matter of opinion; I do not know where he would look for such steamers

R. Sturgis, Esq.

20 March 1869.

as are now doing the service; the Peninsular and Oriental Company are the only Company who have such steamers afloat.

1285. You expressed a very decided opinion in favour of calling at Queenstown; it has been told us by various witnesses that, so far as London is concerned, where your house of business is, the London public have a clear gain of 12 hours by vessels departing from Southampton?—That is the difference, I presume, between London and Southampton and London and Queenstown; but then, the line not beginning at Southampton, we are never sure that our letters will be taken promptly from there; for example, if we write to-night for the vessel leaving Queenstown, we know that our letters will go from Queenstown to-morrow; but if we write next Tuesday, expecting that our letters will go from Southampton on Wednesday, the steamer may not arrive till Thursday or Friday.

1286. I am assuming two contract lines, one starting from Southampton and one from Queenstown; as a London merchant are there any peculiar advantages to you in the steamer starting from Queenstown as compared with Southampton?—It would depend upon the comparative quickness of the passage from Southampton to New York and the passage from Queenstown to New York. In going from Queenstown to New York they might gain enough to make up the difference between going from London to Queenstown and going from London to Southampton.

1287. Have you not had any means of comparing the two routes?—No; we have used the Southampton line so little.

1288. You have had no opportunities of comparing the two routes under equal conditions?—No.

Francis Alexander Hamilton, Esq.; Examined.

F. A. Hamilton,
Esq.

1289. Mr. Graves.] ARE you a partner in the firm of Messrs. Brown, Shipley and Company?—Yes.

1290. Have you a house in Liverpool as well as in London?—I have.

1291. Do you know the nature of the contracts now under discussion with Messrs. Cunard and Mr. Inman?—I understand them from the statements I have seen in the papers and elsewhere.

1292. Do you consider that the arrangements made with those companies for a tri-weekly service afford all reasonable facilities which are required by the commercial public for communication between the two countries?—I do, with this qualification, that of course in the commercial world the more communication you have, the better; if you have four days it is better than three, but I think three days are generally sufficient for the purpose.

1293. Have you formed any opinion with regard to the relative advantages of Queenstown and Southampton for the landing and embarking of the mails for the country generally?—Decidedly, Queenstown is better for the country generally, for London perhaps Southampton might answer nearly as well.

1294. Are you in the habit of using the Southampton line to any great extent for your correspondence?—Yes, we write by the Southampton boat.

1295. Can you give the Committee any idea of the relative times that the mail takes by Queenstown and by Southampton?—Hearing that I was going to be examined, I got a clerk to make out the time elapsing between the posting of letters in New York, and their arrival in London, by four boats. In that calculation Sundays are included which make the number of days in the case of the Cunard boats more than they otherwise would be. The time taken in the 26 passages was as follows: by the Cunard line $11\frac{1}{4}$ days, by the Inman time $11\frac{1}{2}$ days; by the North German Lloyds, which are the fastest of the other lines, $11\frac{3}{4}$ days; and the other vessels about 12 days; that would be of course to London. To Liverpool, of course it would be more in favour of the Inman and Cunard vessels, and besides that, the Cunard Company have the disadvantage of the Sunday; if the Sunday had not intervened, on which day there is no delivery, we should probably have received the letters a day earlier; I have taken the days on which we actually received them.

1296. You have received your letters by the Cunard and Inman lines *via* Queenstown, in a shorter time than by Southampton, even for London?—Yes.

1297. Mr.

1297. Mr. *Hamilton*.] During what period?—I take 26 voyages in the last six months, from June to December. *P. A. Hamilton, Esq.*

1298. Mr. *Graves*.] You have had considerable experience with regard to steam lines in the Atlantic?—Yes; I had the management of Collins' line, we acted as agents for the Collins' line, when they ran. 20 March 1869.

1299. Do you consider 105,000 *l.* per annum for the outward mails for the three services an excessive sum?—No, I do not, provided you can get the punctuality and regularity, which you have had during the last 20 years.

1300. Would you consider it a reasonable sum?—I should say it was a very reasonable sum; I am quite satisfied that a great many of the large boats that run in the winter do not pay; I have seen some of those fine Collins' boats going with only 12 to 16 passengers; what they would get for them would not pay for the coals.

1301. I believe you are more or less acquainted with the character of the various ships engaged in the Atlantic trade?—Yes, I am.

1302. Do you consider that the mail service can be as efficiently performed by any other company or companies as by Messrs. Cunard and Mr. Inman?—I do not know of any other companies that have the power to do it; I do not know of any companies having a sufficient number of vessels to do it; I am speaking of existing vessels; of course you cannot tell what a combination of parties might do; but I do not think any other two companies could run vessels three days a week.

1303. What would be the effect of any sudden termination of the present mail arrangement?—It is difficult to say, but I should think it would throw the mails into a great deal of confusion.

1304. Have you formed any opinion with regard to the present rates of postage; do you consider that they are excessive?—I do not consider them at all excessive for the service performed. If we could get equal service for less money we should prefer it; but there is no hardship upon the writers of letters, as a rule.

1305. Would you prefer the present rate of postage for letters carried with speed and regularity, to a lower price with the risk of not leaving the same speed and regularity?—Decidedly.

1306. Is there any other point upon which you would desire to express any opinion to the Committee?—The only thing that struck me as illustrating it a little is this: that during the old days when first I was connected with the United States in business we used to have packet-ships; of course there was great excitement for everybody to get their letters, and those packets ran with great precision, running across in from 15 to 20 days. The moment the steamers started, such quick passages became quite the exception, whereas they were very common before, showing that where they had not the advantage of carrying the mails the speed diminished, and there was a want of energy and activity.

1307. Mr. *Seely*.] You are a merchant?—Yes.

1307* And in your own transactions I apprehend you get your articles as low as you can?—Yes, provided they are good.

1308. Supposing that you could get lines of steamers which you were satisfied would perform the voyage with the same regularity and speed as Messrs. Cunard's and Mr. Inman's do, and at half the price, would you give 105,000 *l.* a year instead of 80,000 *l.*?—I am a free trader, and I should get the service done at half the price, if it were done as efficiently.

1309. Do you know how many vessels are required to make a weekly service to the United States?—I question whether you could do it with five; you might do it with six.

1310. Do you know anything about the speed of the Hamburg boats?—They have averaged in their passages about 12 days.

1311. Supposing you were satisfied that the Hamburg boats would perform the service to the United States once a week as fast, or faster, than Mr. Inman's or Messrs. Cunard's slow cargo boats, would you pay Messrs. Cunard or Mr. Inman for their slow cargo boats, considerably more than you would pay the Hamburg Company?—Not if I could be satisfied that it would be done with the same regularity; but I doubt whether that could be done.

1312. Mr. *Hamilton*.] You said that large boats did not pay?—Not in the winter time; not the large fast boats.

1313. How do you account for the fact that Mr. Inman has been able to

F. A. Hamilton,
Esq.

20 March 1869.

work a large fleet of first class vessels between this country and America without subsidy at all?—He has had the advantage of nine summer months.

1314. The profits of the nine summer months have more than covered the losses upon the three winter ones?—I should suppose so.

1315. Is it the fact that Mr. Inman, in the face of the subsidised fleet of Messrs. Cunard, got together a very large fleet almost of equal quality to the best of Messrs. Cunard?—He has a very fine class of vessels; he has got together as fine a class of vessels as you will see; but they have not been so punctual as the Cunard vessels, nor so free from accidents.

1316. Do you think this practice of paying a subsidy is in favour of, or against, the increase in the number of fine fleets?—If there had not been a subsidy we should not have seen a great many of the lines which are in existence, because the subsidy enabled Messrs. Cunard to show an example and to give a stimulus to the owners of other boats to keep up with them.

1317. Do not you think the time has arrived when we could dispense with that encouragement now?—I question whether it has; I doubt very much, whether, if you take away the subsidy, you will have boats going summer and winter in all weathers with the same punctuality that they do with a subsidy.

1318. Do not you think that the time has arrived when we might dispense with these subsidies as a means of encouraging the building of first class vessels?—I do not think there is in the country, at the present moment, a sufficient force of steam boats to perform the work.

1319. This contract has been entered into for a period of eight years; do you think, at the end of that period of eight years, the number of first class vessels will be greater, or less, in consequence of this subsidy to Messrs. Cunard and Mr. Inman?—That is a very difficult question to answer, to foretell what, in eight years, may be the course the trade may take; I am speaking of the present time, within the next two years, at any rate, I do not think there would be a sufficient number of vessels to carry the mails with the regularity and punctuality with which they are now carried by Messrs. Cunard and Mr. Inman.

1320. You are not prepared to say that, in the course of eight years, competition would not do all that was required for the country?—It is impossible for any man to know what the increase of trade may be in that time.

1321. Sir *Massey Lopes*.] Do you consider it absolutely necessary that all mail vessels leaving this country should touch at Queenstown?—I do not say absolutely necessary, it is very desirable, and as far as the London trade goes, I think it is absolutely necessary to enable us to compete with the northern parts of the country.

1322. I understood you to say that the Cunard vessels have made the shortest passage of any others, and next to them Mr. Inman's?—That is in the last six months, that is the delivery of mails; I am not speaking of passages.

1323. Have you had any reason to complain of those boats of Messrs. Cunard, which have been called the slow boats?—No, we have not.

1324. You also mentioned just now that, in your opinion, none of those boats pay in the winter?—Not the large vessels which consume so much coal.

1325. In your opinion it would not pay to run those vessels unless they had the benefit of carrying the mails?—No, I think not.

1326. I also understood you to say that, in your opinion, there are no two other companies now existing that would be able to perform the same contract and carry out the same arrangements as Messrs. Cunard do at present?—Yes, I am very strongly of that opinion.

1327. *Chairman*.] You are, no doubt, well acquainted with the system on which the American Post Office contract with steam lines?—At present I believe they pay them for the letters; formerly they used to have heavy contracts.

1328. That system has been given up some time, and they pay them for the letters?—Yes.

1329. Do you know at what rate they pay them?—I am not prepared to say; I may say we have had great complaints about the American Post Office; when we have had letters directed to come to us by one particular mail, instead of sending them by that mail, they have sent them by the mails which they rather favoured.

1330. Have you received any American letters by the Cunard cargo boats?—Yes.

1331. Is

384

F. A. Hamilton,
Esq.

20 March 1869.

1331. Is there any complaint of the regularity or want of punctuality in the delivery of homeward mails from America?—Not with regard to Messrs. Cunard and Mr. Inman's boats, but other letters are coming in at all times; there is less regularity about them.

1332. You are probably aware that, at the present time, the English Government are responsible for the outward mails, and the American Government are responsible for the homeward mails, each Government making its own bargain independently of the other; have those engaged in the American trade any complaint to make of the mails that they receive from America?—No.

1333. Do you think it possible that any great line of steamers, whether they carried mails, or not, could lay up their steamers altogether in the winter, and not run them?—Certain steamers; I think they might

1334. You think they might run perhaps once a fortnight instead of once a week? Yes.

1335. Has the Inman line done so?—Messrs. Cunard took off some of the large Boston boats.

1336. Has the Inman line done so?—I think they have.

J. S. Morgan, Esq., Examined.

1337. Mr. Graves.] You were the partner of Mr. Peabody?—Yes.

1338. You have heard the evidence given by Mr. Sturgis and Mr. Hamilton; do you generally agree with it?—Yes.

1339. Is there any point upon which you take exception to their evidence?—No, I do not know that there is; I think they have not pressed so fully, as I would have done, the importance of the landing of the mails at Queenstown on the homeward voyage as well as the outward voyage.

1340. You think it is equally important that they should be disembarked at Queenstown as that they should be embarked there?—Yes; Mr. Inman did not do that till within the last year or two.

1341. Will you give your reasons for that opinion?—If the steamer arrives at Queenstown before ten in the morning of Friday we get the mails on the next morning in London, whereas, if the steamer took those mails to Liverpool, we should not get them till Monday morning.

1342. From your knowledge of the American trade, do you consider an efficient service could be established which did not embrace the Cunard and Inman lines?—I do not suppose the service depends entirely upon the Cunard or Inman lines; but that the service they perform is a most efficient one no one can doubt; it is most punctual and efficient.

1343. Do you use the Tuesday vessels of the Cunard line?—Very little.

1343*. Is that in consequence of any complaint you have to make of their service, or have heard made?—No, we are in the habit of using the Wednesday steamer, and the Saturday steamer; our correspondence is mostly by the Cunard and Inman main line.

1344. Do you consider the Saturday from Liverpool, or the Sunday from Queenstown, a day so fixed in the transmission of the mails, that it would be very unwise to make any alteration in it?—It is a very great convenience to have Saturday in which to answer our letters, which very often arrive here on Saturday morning, and it would be a great inconvenience if we had not that mail.

1345. Do you carry that so far as to consider the Sunday from Queenstown as the best day in the week to suit the homeward arrangements?—Yes.

1346. Mr. Seely.] Did you sign the memorial to the Post Office the other week for a service from Southampton?—Yes, I think so.

1347. You rarely use the mail packet service of Messrs. Cunard on the Tuesday?—Seldom; we should do so if we had occasion to write on that day; I daresay we send some; but we do not depend upon it so much.

1348. Would you send by the Tuesday boat if, as a rule, such boats were always overtaken by Mr. Inman's boats of the following day?—Our principal mails are on Wednesday and Saturday.

1349. If Mr. Inman's boats, leaving on the Wednesday, got to New York earlier

o.31.

O

J. S. Morgan, Esq.

20 March 1869.

earlier than Messrs. Cunard's boats which left on the Tuesday, by which boat should you write?—By the Wednesday's boat; we should write by the boat that would take our letters soonest.

1350. *Mr. Hamilton.*] In giving your opinion about the importance of touching at Queenstown on the homeward service, you were only comparing Queenstown with Liverpool?—I was only comparing Queenstown with Liverpool, taking the time when those mails would reach London.

1351. If you compare Queenstown with Southampton, is there any great advantage to London merchants in having the mail landed at Queenstown instead of Southampton, the two services being equally good?—I do not know the time occupied between Queenstown and Southampton; it would depend upon that.

1352. You have now, under the contracts which we are considering, three services every week, two by Messrs. Cunard, and one by Mr. Inman, do you think that the loss of what we call the slow service, the service by the slow boats, would be any serious inconvenience to the London public?—I could not answer that question.

1353. Did you not say that you rarely wrote by it?—We adopt the plan of having our principal mails on Wednesday and Saturday; what others do I cannot say.

1354. You have no knowledge whether your practice does or does not correspond with that of other merchants?—No.

1355. Are you influenced in your adoption of that practice by the fact that the Wednesday service is a more rapid service than the Tuesday one?—No; it is because we have got into the habit of making Wednesday and Saturday the mail days.

1356. *Sir Massey Lopes.*] You say you do not depend so much upon the Tuesday's boats; is that for the reason that you did not consider those boats so rapid as Messrs. Cunard's other boats or Mr. Inman's, or is it simply because your arrangements are not so convenient for sending your letters by the Tuesday's boats?—Simply because our arrangements have always been to make the other days our packet days, and we adhere to it.

1357. It is not on account of the Cunard boats not being so good?—No.

1358. *Mr. Graves.*] Does your house use the telegraph to any considerable extent?—Yes.

1359. Do you think that that in any measure obviates the necessity for the rapid transmission of letters?—Not the least; if we get by telegraph any item of particular importance the details must always come by post.

John Burns, Esq., Examined.

J. Burns, Esq.

Witness.] I SHOULD like to make a statement before any questions are asked of me to-day; it was neither my intention nor Mr. Inman's to have appeared before this Committee at all; we wished to rest our case upon the correspondence placed before the House of Commons; but we have come here to-day, out of respect to the Committee, to afford them any information that we possibly can as regards our own case; it shall be as brief as possible.

1360. *Mr. Graves.*] Do you represent the Cunard Company?—I do; Sir Edward Cunard, Mr. William Cunard, Messrs. MacIver, my brother, and myself, are the sole partners of what is called the Cunard Company.

1361. Will you give the Committee the number of steamers of all classes which your firm owns?—We have 40 steamers of all classes, of an average tonnage of 60,000 tons, for the manning of which and conducting the shore service in connection with these vessels, we have a staff of about 5,000 men.

1362. Will you shortly explain to the Committee the history of your negotiations with the Post Office since 1867?—In 1867 we received a letter from Mr. Frederick Hill, to which reference is made in my letter of the 9th of February 1869, which is to be found in the correspondence, stating to us that the contract system was finally to come to an end at the end of that year. We had considerable difficulty to know how to act. We did not wish the Government, with whom we had been in connection for a quarter of a century, to think

380

J. Burns, Esq.
20 March 1869.

think that we were acting unseemly in not replying to the tenders which were afterwards put out, but at the same time we did not know very well what to say, because we had resolutely made up our minds that we could not afford to tender upon the forms of tender which were issued at the fall of that year; and therefore we came to the conclusion that it was more respectful to make no reply whatever, but to let the matter entirely drop, which we did. We made no reply, considering that the contract system would come to an end that year. We acted on the assumption that at the end of that time our postal service was at an end, and all our obligations; and it was not our intention to renew any overtures to the Government on the question of postal contracts.

1363. You appear now to be in alliance with Mr. Inman; will you state how that has arisen?—Before answering that question, perhaps I may be allowed to state what took place to change the position in which we stood with the Government from 1867 until the alliance with Mr. Inman took place; in 1867, we having made no reply, communications were made to us, at least indications were thrown out that it was deemed extraordinary that no reply was made by us to the Post Office, that no form of tender was made; and we were asked our reasons for not doing so. I went to the Post Office, and for the first time I came into communication with Mr. Scudamore, who asked our reasons for not tendering upon the forms of tender that were issued; I told him that which I have consistently maintained ever since, that we could not see our way to make any offer upon those tenders with the slightest prospect of making any money, there being on the contrary in our view a certain prospect of making a loss, and that we declined respectfully to tender upon those terms; it resulted in a lengthened negotiation between myself and the Government represented by the Post Office and the Treasury, and which ultimately ended by my making an offer on the part of the Cunard Company for a service for a certain number of years; but the Treasury did not see their way to accepting that offer, and at the end of the year, during the sitting of Parliament on the Abyssinian question, I was suddenly asked one afternoon if I was willing, as the Government were not prepared to adopt the principle of a lengthened service, to tide over the difficulty by accepting the sum of 80,000*l.* for the outward and homeward mails for one year; so suddenly did the offer come upon me that I was utterly unable to consult my partner, Mr. William Cunard, who happened to be in London that afternoon; I had to give my decision before the House met at four o'clock, and I took upon myself the responsibility, and stated that, though the proposal of the Government had come upon me very suddenly, I was quite willing to meet their views, and I there and then accepted the offer of 80,000 *l.* for one year.

1364. *Chairman.*] What Member of the Government made that offer? The offer was communicated to me by Mr. Tilley and Mr. Scudamore, on behalf of the Treasury.

1365. I understood it was a personal communication from Mr. Ward Hunt?—I saw Mr. Ward Hunt during the negotiation, but the offer was communicated to me by Mr. Scudamore and Mr. Tilley, on behalf of the Treasury.

1366. *Mr. Graves.*] When was this offer made?—I cannot remember the exact day.

1367. *Mr. Greaves.*] Was that for a Sunday service from Queenstown?—Yes, out and home.

1368. *Chairman.*] You say you made no reply to the tender for the contracts; you mean you absolutely made no communication whatever?—None whatever; this was a negotiation extending over perhaps two months or three months, but the negotiation eventuated in this temporary contract for one year; and, in passing, I may say I received the thanks of the Government for going into this temporary arrangement, all my arrangements having been made for an extended service; but I saw the reasonableness of what they had asked me to do, and I accepted their terms at once, though it was an open question whether I was doing that which was right to my partners; you have asked me how the alliance with Mr. Inman came about; it came about shortly in this way: at the end of 1868, passing over a great deal that took place before that period, my partners met with me in the country to consider what our course should be when tenders were again issued by the Post Office; we had made up our minds that if those tenders were issued upon the same principle as the tenders of 1867, we could not,

J. Burns, Esq.
20 March 1869.

and would not, make any reply to them in any way. We knew we laid ourselves open to the imputation that we were perhaps doing what might be supposed to be putting the Government in a corner, but such was not our intention; we felt, as honest men, we could not afford to do the service upon such principles, and therefore decided that we would not offer at all. It was suggested by Sir Edward Cunard that we should meet Mr. Inman, with whom we had been in competition for the last 20 years, and it was arranged by Sir Edward Cunard and Mr. MacIver that I should meet Mr. Inman, state the position of affairs and hear what he had to say. Mr. Inman's willingness to meet me, and my willingness on the part of my partners to meet him, was brought about very much by one circumstance, and that was by our trade being eaten in upon by foreign competition; foreign competitors had come in, being under no British rules, and had so eaten in upon our service that we were obliged, for our common preservation, to make common cause; I then met Mr. Inman, and shortly stated our position as regarded matters generally, and told him our position as regarded our contract with the Government. We found that from different points of view, I representing the old contract system, and he representing a different system, we had arrived at the same conclusion. I said to him, "You see the necessity which we are under; if we are to continue carrying on the trade on the Atlantic with such ships as yours and our own, we must have a fixed payment, and you must in fact capitalize your ocean postage, so as to give yourself a certainty." Mr. Inman agreed to those views. I said to him, "Mr. Inman, I have been in negotiation a great deal with the Government, and it will not suit my character to come into a coalition with you in a corner, and then both of us go to the Government and say, 'We dictate to you terms;' therefore," I said, "I propose that we should communicate jointly to the Government, and if you are willing to make a joint proposal upon the lowest terms you can, I am willing to go with you, so as to give the public the advantage of a tri-weekly service, which we must do so as to insure what is wanted for the public convenience for the lowest possible terms we can take for those services." Mr. Inman and I went into a calculation of what would be the lowest terms we could take for those services, and we made a joint offer of 150,000 *l.* a year, and I confess, if it had been left to me entirely, I certainly should have named a higher sum considering the work we had to perform, but I willingly agreed that that was the sum which we should strike, and that we should stand at that; that sum was maintained, and the history of its being broken down is told in the correspondence before the House; when I received a direct offer from the Government, I met my partners, and I said to them, "This payment will not pay us for the work expected from us, and I do urge upon you respectfully to decline it, and give it up entirely." My partners said to me, "We have held the contract for 30 years, and it is quite evident that the Government cannot and will not offer you more; therefore, before you decline the terms, go to London and see the Post Office authorities; state your case, and then you will know whether there is any possibility of inducing the Government to give more." I went to London, and laid our case before the Post Office, and I said, I considered the service to be performed was of such a nature, and the price to be paid for it was so low, that if my partners had taken my advice we should have nothing at all to do with it, though, at the same time, there was some advantage in getting a fixed sum for the service; but I confess, before this Committee, there was a greater advantage than the money in that contract, which was, that I was enabled by this negotiation to cement a commercial friendship with Mr. Inman, which I consider of more value to him and to us; and, therefore, when I saw that the Government could not give us more, I accepted their offer, within a few days of the offer being made.

1369. *Mr. Graves.*] Would you have agreed to the offer made by the Government if you had had any idea that your bargain with the Government was to be re-considered?—Most certainly not; I made the bargain with the full knowledge that the contract, as signed by me and Mr. Inman, must lie on the Table of the House for a month; but I certainly believed that that reservation of Sir Stafford Northcote, with which I was well acquainted, was never meant to apply to a hard bargain made between an honest contractor and the Government, unless in any way it could be proved that there was under it some chicanery, or some political job, either on the part of the Government or on the part of the contractor; and, therefore, when we began to see questions raised in the House upon the contract, I wrote in the strongest way to my partners, and said I was just as certain

certain that the contract would be carried through, as I was certain that I signed it, because, though there was the requirement that the contract should be laid upon the Table of the House for a month, that was not a thing to consider further than as giving an opportunity of discovering whether there was any job in the matter, and as we had entered into the contract with clean and pure hands, we need have no fear on the subject.

1370. Were you confirmed in that view by the fact, that when the House met in December, your contracts were not placed upon the Table?—Most certainly.

1371. If your contract should not be ratified, what effect would it have upon the class of vessels which you would employ upon the Atlantic for your own commercial purposes?—It would cause a total revolution in the class of vessels which we should employ upon the Atlantic. About a month ago this contract, in my mind, being a thing almost settled, I received offers from eminent builders to construct ships to carry out the Saturday and Tuesday service as our service always has been carried out. Our contract provides, that any new vessels that we shall build shall not be less than 2,000 tons, and that they shall go at a measured mile with 800 tons weight at not less than 12 knots; in my letters to the builders, I told them that they must state what those ships could run with 1,000 tons of dead weight, being 200 tons beyond the requirement; the offers I received, which were from the first builders in the country, vary; one says the specification I had given would result in 13½, another 13½, and another 14 knots, with 1,000 tons on board. Our contract being that those vessels should be of 2,000 tons, the vessels we intend to build are upwards of 3,000 tons; and that is only carrying out what our policy has been since we became contractors. Even under our first contract we never built a ship simply to meet its requirements; but we exceeded the contract in everything.

1372. If the contract is ratified, you propose to build those vessels of a superior class?—We do.

1373. If the contract is not ratified, will you build those vessels?—Most certainly not; we shall build vessels, but not of that class.

1374. Do you mean you will build vessels of lower speed?—Of lower speed, and of larger capacity for carrying emigrant passengers, and with larger capacity for cargo; vessels which may take one or two days longer on the passage.

1375. And cost less money?—Yes.

1376. The "Scotia" and the "Russia" have been referred to frequently in the course of this inquiry; will you give the Committee some idea of the cost of those vessels, and when they were built?—The "Scotia" cost about 170,000 *l.*; the "Russia" cost about 130,000 *l.* As soon as we got Mr. Frederic Hill's letter of 1867, it was our most earnest desire to get quit of the "Russia." The Admiralty were then building transports for the Suez service, and we asked them whether they would buy the "Russia" at first cost for the Red Sea service. The Admiralty sent down an officer to examine and report upon her (she was then near completion), and he said the cost of conversion would be more than they were inclined to undertake, as the other vessels were soon to be ready, and declined the offer, which I regretted.

1377. *Chairman.*] What is the date of the building of the "Scotia"?—1862.

1378. And the "Russia"?—1867.

1379. Are those the two last steamers you have built of that class?—The "Java," the "Cuba," and the "China," were all built after the "Scotia."

1380. *Mr. Graves.*] You had another fast vessel, the "Persia;" did you dispose of her?—We did; at the time the contract was waning the "Persia" was about nine or ten years of age; at all events, she was beginning to require new boilers, and we estimated that the cost of refitting her with boilers would be 60,000 *l.* Sir Edward Cunard was very reluctant to let go the "Persia;" but I pointed out to him that that vessel would be ruination in herself if she ran upon the Atlantic without a fixed subsidy; she cost in our books the sum of about 160,000 *l.*, and I prided myself on making a most excellent bargain for my partners when I got 15,000 *l.* for her; we sold her totally and entirely,

J. Burns, Esq.

20 March 1869.

having in view our not being able to run such a vessel at a profit, but at a heavy loss, if we had no contract.

1,381. Was there any other trade that she was fit for?—None.

1382. *Mr. Hamilton.*] Was she a screw, or a paddle vessel?—Paddle.

1383. *Mr. Graves.*] The Government have always reserved the power in contracts with your company, to use your vessels as transports, or purchase them; has that clause ever been availed of in any way?—It has been acted on on several occasions, but especially during the Crimean war, our vessels were employed for the transport of troops, and they carried 100,000 men and 8,000 horses, besides women and children; but the most critical service we ever performed was the service we were asked by Lord Palmerston to perform when the "Trent" difficulty arose. When the "Trent" difficulty arose, my late partner, Sir Samuel Cunard, was asked if he could give up to the service of the Government two of our largest ships, to which he at once assented; but the Government asked another thing, and that was, that he should take the Guards and the Rifle Brigade, and land them at Bic, in the St. Lawrence, which had never been navigated by a steamer in the depth of winter. It was not a question of money with us; but we wished to do the thing well, and we entered into a contract with the Government to do it. We were ready in a short space of time to embark the Guards in the "Persia," and we took the Guards out to Bic, and landed them there. The "Australasian" followed with the Rifle Brigade, and made an attempt to proceed up the St. Lawrence and land them as the "Persia" had done the Guards; but the naval officer on board said he would not take the responsibility of going further, and gave orders to our captain to put about and go to Halifax; we landed the Rifle Brigade at Halifax accordingly. The "Persia" succeeded in landing the Guards at Bic, having lost her anchors and boats in doing so.

1384. To what naval officer do you refer?—The naval officer sent out on board the "Australasian" to look after the safety of the troops; the troops were under the command of Lord Alexander Russell.

1385. It has been stated in evidence, before this Committee, that your Tuesday's ships are not so fast as the Saturday vessels; is that the case?—I should wish to make one remark upon that. With all deference and respect to the Committee, I think we have been hardly used in a term being accepted in this room, which has been used by our opponents, out of this room, to serve their own purposes; they have called those vessels cargo ships; they are cargo ships, and the "Scotia" is a cargo ship; but they call them cargo ships, in order to throw discredit upon the Tuesday service; I will shortly explain the nature of the Tuesday service. As regards what are called the cargo ships, the best proof that they are not in any way inferior to other ships, except as regards the degree of speed, is that British merchants, who are better judges than most people of the excellence of ships, pay us the same rates of freight and the same passage money, by what are called the cargo boats, as they do by the "Java," the "Cuba," and those other vessels. The average passages of those so called cargo boats during the last year have been spoken of; during the last year they were not under a postal contract; they sailed weekly simply for trade and passenger requirements, and we neither used extra coal nor manned them with the extra men that are now required to carry out the postal service. The average of the passages of those ships has been taken from the last year's returns, when they were not under postal service at all; the only passages of this year which can be referred to are the passages which have been referred to in this room, which were made at a season of the year the severity of which was extraordinary. At the very time that some of those passages were made, the "Pereire," one of the most powerful boats of the French, had to put back to Havre in consequence of the bad weather; other ships were disabled, and we ourselves suffered loss. And, as regards taking one particular ship and saying that that vessel was overlapped by another, I remember that Lord Elgin, when he was Governor General of Canada, made a boast that he had made the longest passage ever known, in a Cunard steamer; that was 22 days, and that was in one of the finest ships running between this country and America, the length of that passage being due to the severity of the weather; so, in the case of the so called cargo boats, the weather at the time referred to was unusually severe. Now, as regards the
Tuesday

Tuesday service, if the Committee will allow me, I will state how it is that we have been unable to improve that Tuesday service, and why we have not been building any more ships like the "Russia." The reason simply is that, for two years, we have been negotiating with the Post Office, the Government adopting a temporising policy, going on the principle of a contract for one year, and then stopping it, and the whole thing being thrown into such uncertainty that we could not continue to build new ships for the Saturday service, nor incur a liability in improving the ships for the Tuesday service; but the moment when, as I considered, the thing was settled, I took offers for building as fine ships as almost any afloat for the sustentation of the service generally, and for the improvement of the Tuesday service. As regards the so-called cargo ships, I think it was very unfair to our company, that that name should be attached to them. I suppose that these cargo ships are better known to the officers of the British army than any ships we have; for after the Crimean war, we built 12 of them, of such capacity that each ship might convey an entire regiment; they have been employed in the Mediterranean, and many officers on relief have gone by those ships; if those ships had been called A and B ships, it would have been much fairer than applying the term "cargo ships," to them.

1386. You contemplate under those contracts, if ratified, that your Tuesday service shall be in all respects precisely the same as your Saturday service, and equally efficiently carried out?—As regards the Tuesday service, it was never intended that it should be a service on the same scale as the Saturday service; it was stated in evidence yesterday, that we labour under a certain disadvantage with the Saturday service, and that the Tuesday service was never contemplated to be a service of such great excellence or such great speed as the Saturday service; but the Tuesday service would be made as good as the Saturday service, every whit, if we were paid for it; it is only a question of burning a greater amount of coals, and manning the vessels with a greater number of men.

1387. When the arrangements are perfected, is the Committee to understand that your Tuesday service will be as efficient as the Saturday's service?—It will be very efficient; but I do not want it to be supposed that we would run such vessels as the "Scotia" or the "Russia," upon the Tuesdays.

1388. You have said that under these contracts, in addition to requiring more coals, you will require more men; will you explain to the Committee what you mean by that?—Under the trade requirements, in carrying emigrants and cargo, there is no occasion to burn so much coal, or to carry every stitch of canvass on every occasion when the wind is favourable. Therefore, under trade requirements, we do not require so many blue jackets or so many stokers.

1389. As I understand you, you get the same rates of freight by the Tuesday's boats as by your other boats?—Yes.

1390. Do you charge a less rate of freight than other companies charge?—No; it has been stated, I believe, in the evidence before this Committee, that owing to our having a subsidy, we are enabled to carry at a less rate of freight than companies who have not a subsidy. The fact of the case is simply this, that we and Mr. Inman get 20*s.* a ton higher freight for our ships than the National Company on the same voyage from Liverpool to New York.

1391. Why did you make such a strong point of objecting to the reduction of two years in the duration of your contract?—On this simple ground, if those contracts are ratified, we feel the necessity of building ships to carry out the service as we have done for 30 years; to build those ships would require a considerable outlay of capital, and we could not, as prudent men, go into that outlay if the contract was of less duration than eight years.

1392. You have spoken of the foreign competition to which you are subject. Could you give the Committee any information regarding the action of the French Government in reference to postal contracts. You are in competition with French lines?—We are in close competition with French lines and German lines. The French line, I believe, from a calculation I have made, get for the Atlantic service about 16*s.* 4*d.* a mile, whereas under the present contract our payment and Mr. Inman's would be a matter of 2*s.* or 2*s.* 6*d.* a mile; that

J. Burns, Esq.

20 March 1869.

is one source of competition. The consequence is, that the French are able to underbid us in many ways, and they are eating in upon our traffic; but the companies who are doing it to a greater extent than the French are the German companies.

1393 Do the German companies get any subsidy?—I do not know whether they do or not.

1394. When you say you get 2*s.* or 2*s.* 6*d.*, you mean under the contracts now under discussion?—Yes; that 2*s.* or 2*s.* 6*d.* a mile is assuming a certain amount which we get from the United States Government for the carrying of the mails homeward. I must put it *pari passu* with the French, who get 16*s.* 4*d.* out and home.

1395. You notified to the Post Office that, in the event of your contracts being annulled, you would at once cease to call at Queenstown with your steamers, which sail from Liverpool on Saturday?—Yes; but I must make this explanation, that that notification from the Post Office was not made, directly or indirectly, by myself or Mr. Inman, as a threat to the Government. The Post Office could not have been startled by that notification, because in my letter of the 9th of February I stated what would happen if such an event took place. If the contract had not been ratified in the House that night, the Government could not have legally paid us for the mail that went out on the following Saturday; and I did not know why we should conduct the voyage to America, calling at Queenstown, which is a positive loss to us, and not be paid for it. It was not as a threat that we made that notification to the Post Office.

1396. Mr. *Hamilton.*] Have you received any money from the Government under this contract?—No.

1397. Mr. *Graves.*] Though you have been running since the 1st of January?—Yes.

1398. Evidence has been given to the Committee that the vessels of steamship companies sailing from Liverpool call at Queenstown for their own purposes, apart altogether from receiving mails; is that the case with your Saturday steamers?—No; we call at Queenstown solely for the mails; the calling at Queenstown entails a loss upon us in this respect, that sailing from Liverpool, and calling at Queenstown on Sunday, we get absolutely nothing except the mails; probably, we have taken on board, in the course of the last six months, one or two cabin passengers at a time, who have gone over to Queenstown in order to avoid the Channel voyage; but practically we get nothing whatever, and by the emigration restrictions, no emigrants can be placed on board the ships on Sunday, and we often have to be there eight, or ten, or twelve hours, waiting for the mails.

1399. Under what circumstances did you commence to call at Queenstown?—We commenced to call at Queenstown under the old contract; the Government asked us to call there; we at first declined, it being a loss to us, but we ultimately agreed to do so without any extra payment whatever, though calling at Queenstown entailed upon us an expenditure, in round numbers, of 10,000 *l.* a year.

1400. Though there was nothing binding upon you to call at Queenstown?—Nothing whatever.

1401. Have you ever depended upon the United States Government for any portion of your mail earnings?—We have never depended upon the United States Government until the first of this year.

1402. What are you getting now from there?—We are getting 20 cents per ounce, but the arrangement with the United States Government is from mail to mail, or from week to week.

1403. Have you any permanent arrangement with the United States Post Office?—Certainly not; but before passing the question of Queenstown, and in relation to the letter I addressed to the Post Office, I wish to bring this matter before the Committee; I repudiate any intention on the part of my company, or on the part of Mr. Inman, of putting the Government in any position of difficulty which was not fairly and fully known to them on the 9th of February; but it was an absolute necessity imposed on us, for the reason I stated, that we made nothing by calling at Queenstown, and, therefore, we considered that we had better pass it; but, further, there is, and would be, no advantage in calling at Queenstown on the homeward passage, because the amount we
receive

395

J. Burnt, Esq.

20 March 1869.

receive from the American mails is so trifling that it would be better for us to pass Queenstown than be bound to call there with the homeward mails, and certainly we should have acted upon that view, giving up calling at Queenstown, both on the outward and the homeward passage, simply as a matter of pounds, shillings, and pence.

1404. You objected to penalties in your contract; will you explain why it is that you object so strongly to placing yourself under penalties?—We never had penalties since we held a contract from Her Majesty's Government, and our reasons for very strongly objecting to penalties is this: The first consideration which has occupied our attention in the conduct of our Atlantic business has been safety; I will go the length of saying that we have even made the question of profit subordinate to the question of safety, but in the long run, I believe, such a policy has paid. We would not take a contract under which we might incur penalties, for the reason that we would not give a premium to our masters to run under circumstances under which they would not have run, had they not known that if they did not run they might bring heavy penalties upon their owners; we have uniformly refused to have penalties, and would now refuse to conduct a service such as this under penalties. I heard one gentleman state to-day that six ships would conduct a weekly service; theoretically five would do it, but practically it requires eight, and the question of penalty comes in there, inasmuch as we have to make provision for our masters exercising their judgment, in fog especially, and we give them warning that the first duty they have is to look after the safety of the ship before any consideration of landing the mails or passengers in a given time, and we are consequently obliged to have a reserve of ships at Liverpool, so as to insure the requisite punctuality in the dispatch of the mails.

1405. Do you consider that the absence of penalties has had anything to do with the singular immunity you have had from accidents and loss of life?—That is one cause, because had there been penalties in the contract we might have told our masters what we chose, but they certainly would have done their best to save their owners from the infliction of the penalty, by going at a speed under the circumstances which otherwise would not be prudent.

1406. The fact that penalties were established in your contract practically would make no difference whatever in the expedition with which you performed your voyages?—Certainly not; the penalties would only make this difference, they would induce the masters of the vessels to go at times at a greater speed than it would be right that they should go at in order to escape the penalty.

1407. You are aware of the endeavours which have recently been made to establish a line of American steamers to be subsidised by the United States Government?—I understand that Mr. Scudamore yesterday referred to the Act of Congress providing for the establishment of that line; I have nothing further to add to what he stated with respect to that.

1408. Some reference has been made to the fact of your carrying the mails between Belfast and Greenock for nothing; will you explain under what circumstances you do that?—I am very much obliged to the gentleman who introduced that subject, as it gives me an opportunity of giving an explanation on a matter which may be considered to be irrelevant to this inquiry; I am quite aware that till the whole of the story with respect to that is told, it may look as if we were very inconsistent in demanding payment for carrying the American mails while we are carrying the mails between Scotland and Ireland for nothing; the whole story is this: for years we have carried the mails between Belfast and Greenock for nothing; twenty years ago my father, who is now out of the business, took, as he now takes, a strong view on the Sunday question; he had then very much the confidence of Her Majesty's Government, and with the views he held, he told the Government that if they would not ask for Sunday departures from Ireland, or from Scotland, as well as along the whole of the Western coast of the Highlands, which were totally under our control at that time (and which ultimately we handed over to one of our officials, Mr. Hutcheson), he would conduct the mail service at no cost to the Government; and the Belfast service has

J. Burns, Esq.

20 March 1869.

been conducted for twenty years under that condition ; the Western Highlands service was conducted as long as it was in our hands under that condition, and is now conducted under that condition; that is the origin of the non-payment for the Belfast and Greenock service. But when you come to the mercantile question, you must distinguish between the running of coasting steamers a distance of 96 nautical miles, and the running of steamers on the Atlantic, a distance of 3,000 miles; the ships required to be built for the Greenock and Belfast service are built very much for the trade requirements alone, but the ships on the Atlantic are of a different kind altogether, as they must be built for postal requirements.

1409. Mr. *Seely*.] Under your existing contract you could employ any of your boats under class A, or class B, for either service?—Certainly.

1410. You are not building any vessels now?—We are not building vessels at the present moment; we have had offers, but we are not building.

1411. If the contracts were not confirmed, you would not build any more vessels of the same kind;—Not of the same kind.

1412. With respect to some of these boats in class B, take the case of the “*Samaria*,” which sailed a short time since, did she leave Queenstown on the Sunday?—I suppose she did; I do not know the particulars of that voyage; she was to leave on Sunday.

1413. Do you remember the “*Samaria*” leaving Queenstown on the Sunday, and being overtaken by the Wednesday boat?—I cannot say I remember it.

1414. Can you give the Committee any idea of the difference in the quantity of coals consumed on a voyage to America and back again by a screw vessel, as compared with a paddle-wheel vessel?—I am not quite prepared to give an answer positively, but I will take two things from recollection as an illustration. I think the “*Scotia*,” on her outward voyage, took something like 1,750 tons of coal, and the “*Siberia*” would probably take about 800 tons, about one-half.

1415. Have you built any paddle-wheels lately?—No.

1416. All screws?—All screws.

1417. I think you have said that you have no contract at present with the United States?—No; they are only arrangements from week to week.

1418. How are you paid?—At the rate of 20 cents an ounce.

1419. Is that about 10 *d.* an ounce?—About 8 *d.*

1420. Is that in currency?—That is in currency.

1421. What would it be in gold?—I should say about 10 *d.* an ounce.

1422. What did I understand you to say that you estimated the loss of calling at Queenstown at?—At a loss of 10,000 *l.* a year.

1423. That is for one service a week?—When I was asked the question how it came about that we did it under the old contract, without any provision to compel us, I stated that the cost to us was about 10,000 *l.* a year; that includes the tender establishment and general equipment. I do not think that I should like to take 10,000 *l.* to pay it, but that must be to a certain extent a vague computation.

1424. Do you not send boats to Queenstown that do not carry mails?—All the ships that go to America now carry mails.

1425. Do all your ships call at Queenstown then?—Yes, all of them, because they all carry mails.

1426. Every ship that you send to America carries mails?—Yes.

1427. Did all your ships call at Queenstown in the year 1868?—Yes, all of them.

1428. Did they all then carry mails?—No, the B ships did not carry mails.

1429. But they called at Queenstown?—They called at Queenstown.

1430. Those ships were directed to call at Queenstown for your own interest, I suppose?—They called at Queenstown upon such occasions as when they were not filled up at Liverpool with emigrants; there was no occasion to call at Queenstown when our ships were full at Liverpool. It was merely an emigrant requirement.

1431. I understand you to say that all your ships in 1868 did call at Queenstown?—I think so.

1432. Did they call at Queenstown on the return voyage from the United States?—Yes.

1433. All

394

J. Burns, Esq.

20 March 1869.

1433. All of them?—Some of them did not, but generally they did.

1434. I believe that about 40 cubic feet of cargo, such as mail bags, go to a ton?—I cannot speak to the mail bags; the cargo measurement is about 40 feet when you take a bale of goods. I should think it would be about that.

1435. Is there more expense in conveying 40 cubic feet of mail bags than 40 cubic feet of cotton?—There is no extra expense in carrying 40 cubic feet of mail bags, as regards the fact of the men hoisting them on board and putting them into the hold, but there is very great extra expense to provide a ship to carry them if those mail bags are to be delivered in a given time. There is no extra expense in the mere act of putting them on board.

1436. Is there any other extra expense entailed upon you than that of the delivery of the mail bags in a given time?—There is no extra expense in the fact of our ship's crew hoisting the bags on board and putting them into the place of deposit, and hoisting them out again, the same as what they would do in hoisting a bale of Manchester goods.

1437. Then the only extra expense in carrying mail bags is that you have to carry them quicker than you would have to carry cotton?—Yes.

1438. Is there any other expense except that; I want to ascertain what is the extra expense in carrying the mail bags over other goods of a similar class?—The extra expense is mainly attributable to building a class of ship specially destined for the carrying of those mail bags with regularity and speed.

1439. But you say that there are two elements in the building of ships for carrying mail bags, regularity and speed; now any ship whatever can start at a given time, can it not?—Just so.

1440. It does not require a particular class of ship to go at a given time, so that we are reduced to the building of a certain class of vessels to go at a certain speed?—Yes; further than that, the ship that carries the postal bags incurs a very heavy expense, being obliged to wait until those mails arrive at the port of destination, when, under other circumstances, the ship might not require to wait at all, being full of cargo and passengers; and that expense is incurred by the burning of coals in harbour, the men's wages, the feeding of the ship's crew and passengers, and other things.

1441. But, as a matter of fact, have you to wait often for the bags?—Constantly.

1442. How often?—The last time I went to Queenstown in the "Scotia," in the spring, we got to Queenstown at seven in the morning, and the mails did not come till four o'clock, when she weighed anchor.

1443. What time was that vessel advertised to leave Queenstown?—The understanding with the passengers is that the ship leaves the moment the mails are on board, but the understanding with the Post Office is that the mails cannot be on board before the afternoon, I think it is four o'clock.

1444. What was the time in the case you have mentioned at which the mails ought to have been at Queenstown?—Four o'clock, I think.

1445. And the ship left when?—She left at four o'clock.

1446. Your vessels arrived there at or what time?—Seven o'clock in the morning.

1447. What time were the mails put on board?—At four o'clock, or half-past four in the afternoon.

1448. Was that the time that the Post Office agreed to deliver them at?—Yes.

1449. Then you had not to wait beyond the time stipulated by the Post Office?—Not on that occasion.

1450. As a rule, do the letter bags come pretty nearly to the time at which the Post Office undertakes to deliver them?—As a rule, they do.

1451. Could you not time the departure of your ships from Liverpool to meet that?—No, because we have no control over the wind and tide.

1452. I apprehend if you had no subsidy you would still let your ships depart at fixed periods, that is to say, on the same day?—No; that depends entirely on trade requirements, we would vary at different seasons of the year according to the state of the markets, and according to the emigrant requirements.

1453. We have been told by other witnesses that, as a rule, steam ship companies send their vessels on the same day of the week throughout the year?—We sail our ships entirely according to trade requirements. At certain

J. Burns, Esq.

20 March 1869.

seasons we have more emigrants than we have at others, and at other seasons we have none at all; some seasons we have a large spring freight outwards, and at certain seasons in the fall of the year we have large markets to accommodate.

1454. Supposing you had no subsidy, should you run steamers regularly to the United States throughout the year, if you did not carry the mail bags?—I hope so.

1455. You intend to do so, do you?—Yes, fully.

1456. You have been, to use a plain word, fighting Mr. Inman for the last 20 years?—Yes.

1457. You got tired of that?—We were forced to get tired of it, owing to competition. But it was not caused by the competition of our own countrymen. Mr. Inman and myself were perfectly willing to compete with the National Company, Mr. Guion's Company, and all the companies. To show the necessity for people to look to self-preservation, there is at this moment, in Liverpool, what they call a Steam Conference of all the British steamship owners in Liverpool and Glasgow, whereby all the rates of freight are regulated at that conference, whether by subsidised or not subsidised lines; the rates are fixed without any reference to who has a subsidy or who has not. The National and Guion's Company are parties with Mr. Inman and my own Company to this arrangement, therefore the question of subsidised companies being able to carry at less rates of freight is a gross fallacy.

1458. I understand you to say that you were affected by this foreign competition, with regard to your passengers and goods, and that you were glad to enter into friendly relations with Mr. Inman, in order more successfully to compete with them?—Yes; we were placed under very hard regulations. The Germans were allowed to come in and take our trade, they not being under the same regulations.

1459. What are the special disadvantages which the British shipowners are liable to?—In the first place, the German ships call at Southampton, and they are under no restrictions whatever; I mean the Board of Trade restrictions, such as the Inman Company and we are under; they are under different restrictions altogether, and those restrictions are not so heavy as ours. We are under a code which is most wise for the safety of passengers, but the German ships come into the country without those restrictions. I am not in a position to speak on this matter as well as Mr. Inman, because he has studied the subject.

1460. I think I understood you to say that it would scarcely be possible for you to go on as you are without this subsidy?—Certainly.

1461. And Mr. Inman was of your opinion?—Yes.

1462. And therefore you coalesced together?—Yes.

1463. Against the other steamship companies?—No, not against the other steamship companies.

1464. But in order to preserve your position?—Yes, because we found that our own country was not supporting us against foreign aggression.

1465. They were taking less rates of freight than you thought reasonable, were they?—They were eating in upon our trade.

1466. You mean that they were getting the goods and passengers?—Not so much goods as passengers. That was one of the great causes which brought Mr. Inman and myself together; Mr. Inman is thoroughly master of that subject.

1467. Then what was simply your motive for coalescing with Mr. Inman?—It was simply a matter of self-preservation.

1468. What do you mean by self-preservation?—It just means this, that we were being attacked by other competitors who, upon a vantage ground, were enabled to get the better of us.

1469. Then it appears to me that in order to maintain your ground with your competitors, you required the 105,000 *l.*?—No, that is a different question; I think I have stated that one of the principal reasons which made it expedient for Mr. Inman and myself to come together, was the growing competition of foreigners, but I separated that question entirely from the postal question, which stands upon another and a distinct ground.

1470. May it not be fairly inferred from your answer that the 105,000 *l.* helped

helped you to meet this foreign competition?—Most decidedly not; in no way; that is a separate question, to which I can give a separate answer if I am asked.

1471. Then it would appear almost, at all events, that the passengers seem to have preferred those foreign boats?—No, I do not think they did; emigrant passengers will prefer the boat which costs the least; they know very little about a ship, and are very much in the hands of the brokers; they know very little difference between one ship and another; the question that regulates the passage of an emigrant going to America is the rate at which he is carried; there is no preference in the matter; I believe that. Emigrants know so little of the different boats that run, that they would just as soon go in one boat as another; it depends very much on the broker, and the broker depends entirely on the rate of the passage money.

1472. Then if you found yourself at some little disadvantage, that is to say, that you were losing your passengers to some extent, that showed that they were taking a less rate of freight?—I do not know.

1473. But that is a fair inference, is it not?—Yes, certainly it is a fair inference.

1474. Then the 105,000 *l.* would help you to meet that?—No, I will not allow that question to go along with the rate of freight. I am prepared to give a separate and clear explanation of the postal question which would satisfy any honest man.

1475. I think you said that the weather had been very bad this year?—Yes, very bad.

1476. But I suppose it was pretty much the same with regard to your competitors?—In the experience of all men who have had to do with the navigation of the Atlantic, we very often find that in one portion of the Atlantic there is a most severe hurricane, and within perhaps a circuit of 200 miles the water is calm. Such was the case with the “Pereire.”

1477. Then heaven was not very favourable to you?—We were most unfavourably situated, so was Mr. Inman, and so were most of the companies.

1478. That is to say, that other ships had the same weather going across about the same time?—In the case of the “Pereire,” or the case of one of the ships, at all events, she lost all her boats.

1479. I think you said it was never intended that the Tuesday service should be quite as good as the Sunday service?—No; I said that I intended the A ships for Saturday, and the B ships for Tuesday. But it was our intention to give a generally good service on Saturdays and Tuesdays, but owing to the diminution of the payment, it was impossible to expect us to give two Saturday services for that payment; it simply depended on the payment. If the Government would pay us in proportion, we would make the Tuesday service quite as good as the Saturday.

1480. But am I not justified in saying from your evidence that under the present circumstances, looking at the payment that you received, it was not understood that you should give the same good service on Tuesday as you did on Saturday?—It was not so necessary for the Tuesday service as for the Saturday service to be speedy.

1481. You stated that the French pay subsidies to some of their lines of steamers?—Yes.

1482. In what respect do they affect you?—They affect us very materially in the abstraction of our cabin passengers.

1483. You do not get so many as you would otherwise have, you think?—No.

1484. Do you state that you are injured by the North German Lloyd's and the Hamburg Company?—We may be injured by a policy, but it is impossible to say with regard to those companies.

1485. You are aware that they have no fixed subsidy, are you not?—Yes.

1486. Mr. *Hamilton.*] Have you never been subject to penalties; with regard to time?—Never.

1487. There was no special stipulation made on this occasion?—No, although Mr. Scudamore did his very best to compel me to take penalties, he worked hard at it for a whole day.

J. Burns, Esq.

20 March 1869.

1488. I think your objection to penalties is that you think safety may be compromised just for the sake of complying with a fixed time?—I do.

1489. Then there is nothing which gives any security to the public that this service will be conducted well, except your high character and previous services?—And an experience of 30 years.

1490. With regard to this arrangement with Mr. Inman, when did you come to that arrangement with him?—I cannot say the month; it must have been in the autumn of 1868, I should think, but Mr. Inman will remember; it was in August.

1491. About what time were you contemplating the possibility of opening new negotiations with the Post Office for the service of 1869?—I was contemplating it during the whole of the temporary service; the whole of the year.

1492. At what time did you first open the negotiation with the Post Office?—The first negotiation was when the Post Office issued tenders as they did in 1867, and we declined them.

1493. But what was the period at which you first opened negotiations?—It must have been about the same time.

1494. And yet you tell the Committee that this postal contract had nothing to do with your entering into an alliance with Mr. Inman?—No; I said it had nothing to do with the German question; I think I said that we, seeing the same question would arise on the contract to be commenced in 1869 as arose with the contract of 1868, gave great consideration to what answer we should give to the Government if they again issued this form of tender, and after so considering the subject we said to ourselves this:—“Mr. Inman must be considering the very same thing;” and we said, “Why should we go forward with diametrically different policies to the Government, with a probability of his asking a higher sum than we, or we asking a higher sum than he?” We, therefore, as prudent merchants, said, “We had better meet together and consider what we are going to do, and state distinctly what we are going to do.”

1495. You do then admit that the Post Office contract was an inducement, if not the principal inducement, for you to come into the alliance with Mr. Inman?—The consideration of the question was an inducement.

1496. You are only bound by this contract to provide vessels of 2,000 tons gross tonnage to go 12 knots an hour; I understood you to say that if this contract is ratified, you are thinking about building vessels of 3,400 tons that will go 14 knots an hour?—The answer to that question is this: In all our previous contracts there have been stipulations from time to time that we shall provide vessels of a certain size; we have never in any one case stopped at the requirement of the contract; we have always exceeded what was required, to a great degree. Carrying out that policy of 30 years' standing, when this contract was a fixed thing, as I thought, before taking offers from the builders I wrote to them in this way: I enclosed a specification, and I said, “What will that ship cost, carrying 1,000 tons of dead weight on board, and what will she run by the measured mile?” and the answer was, that with 1,000 tons of dead weight on board, one said that she would run $13\frac{1}{4}$ knots, another said $13\frac{1}{2}$, and another 14 knots. The contract on the Table now specifies that the ships shall be not less than 2,000 tons, and shall run 12 knots to the measured mile, with 800 tons of dead weight; the differences between the contract, as it stands, and the offer which I would accept this night are this: first, the ships, instead of 2,000 tons are upwards of 3,000 tons, and as to the dead weight on board, it is exceeded by 200 tons; I am not in a position to say what a ship will run at the measured mile, but I asked practical builders to say, and they gave me that answer.

1497. If it were proposed to modify the contract so as to give a tonnage of 3,400 tons, the vessels to run 14 knots an hour measured miles, would you have any objection to that alteration?—I would; I leave a margin for my own discrimination, but I will not be forced up to a vessel of that size.

1498. But if you know that it can be done, why should you refuse?—Because when I made the contract I fully intended that the ships should be 3,000 tons, and run 14 knots an hour, with 800 tons dead weight.

1499. You always intended to give the country a better service than that which

which was stipulated for?—Yes; and if you go back to all our previous contracts up from 1840 you will find the same thing.

1500. In your contract, at clause 16 it is distinctly stated that you are to be paid “out of such aids or supplies as may be from time to time provided and appropriated by Parliament for that purpose.” Now I think that on some previous occasion, with which you are probably familiar (I think it was in relation to the Dover contract), the effect of that clause, or of the want of that clause, has been admitted or felt in Parliament; it is, I think, within my recollection that that clause was inserted owing to some difficulty arising out of some Dover contract many years ago?—I was not aware of that, but that clause was introduced under Sir Stafford Northcote’s Committee.

1501. Were you clearly aware that the ratification of this contract depended on the non-opposition to it by Parliament during 30 days after the contract had been on the Table of the House?—Certainly.

1502. Do you think that you would have any ground to complain except of the one or two months’ delay if this contract were not ratified?—I have said all along I would much rather the question were put; I must bow to the decision of the House.

1503. I understood you to say you felt that it would be hard upon you, considering this contract was entered into many months ago, and that there was an opportunity, as you say, of laying it on the Table of the House (which I should hardly admit), you should run the risk of being deprived of that contract now?—Yes; legally I maintain that the House of Commons have a perfect right to throw the contract overboard, but I, in connection with my partners, have had many transactions with the Governments for years past, and in all those transactions, and we have had transactions of a weighty kind (two singularly enough with Governments which did not live to carry out those transactions), in no instance did any Administration leave in its portfolio an arrangement made with me or my firm which was not homologated by the succeeding Administration, and therefore my partners feel that this is a slur to some extent upon us, when an inquiry is open to see whether there is anything under this bargain, which is made with the Government, which was not fair and right.

1504. You are aware that there is a strong difference of opinion among the Members on both sides of the House with regard to the expediency of continuing these subsidised contracts; was it not quite open for independent Members of the House to raise the question, without implying in their motion a doubt with regard to good faith, or any imputation on yourself as a contractor?—Most perfectly; any Member of the House has full liberty and right to raise the question, but the point comes to this; that when the Administration who made the bargain with me explains to the House that it was made purely and honestly, and the best that could be made, I fully expected the House of Commons would sustain the bargain, it having been made on pure grounds.

1505. This clause was introduced specially with the object of giving independent Members of Parliament the right of calling in question, not the good faith of a contract, but the policy of entering into such contracts at all?—I think you mentioned just now that this clause was inserted very much to meet a case like the Dover contract.

1506. I may be wrong in that?—If it was so introduced in relation to the Dover contract, it cannot appertain to my contract.

1507. I am not alluding to the Dover contract, or to *mala fides*, or interested preference at all; but there was a difference of opinion with regard to the policy of that Dover contract, and my meaning was that this clause was introduced in order to reserve to the House of Commons the power of reconsidering these matters, not trusting entirely to the discretion of the Government?—True; my expectation, or rather I should say my reading of the clause, was this, that it gave power to Parliament certainly to throw over the contract, and the power to any independent Member to raise a question in the House of Commons upon the contract. I fully expected that many gentlemen in the House would take a distinctly opposite view to that which I maintain, and I told Mr. Baxter so two days ago; but the point where my expectation failed was this, that I thought, after an explanation was given, such as was given in the House of Commons the other night, I was perfectly certain of that contract being maintained.

J. Burns, Esq.
20 March 1869.

1508. You have stated to the Committee that the execution of some orders that you have conditionally given depends on the confirmation or non-confirmation of the contract?—Yes.

1509. Then up to this time, the Cunard Company have not incurred any expense or liability in view of having the benefit of this contract for years?—We have incurred no liability with regard to entering into a new contract for new ships, but we have incurred very serious liabilities during the last three months; but that is a question by itself.

1510. How have you incurred those liabilities?—We have been running the mails since the 1st of January.

1511. Of course, there would be the payment for that?—I cannot say; I thought that Mr. Ward Hunt indicated that there might be none.

1512. I suppose we may assume that there has been no increased expense incurred by your company up to this date?—Certainly not; but the whole of the preparations for such expenses were incurred.

1513. Sir *Massey Lopes*.] Supposing this contract is abruptly terminated, would your company sustain any loss; I mean, supposing you are paid for whatever service you have done, would you sustain any loss?—A most severe loss.

1514. Will you tell the Committee what that loss would be?—We would sustain a loss in this respect; that on the faith of this contract being sustained, we have put on ships since the 1st of January until this date, which as prudent merchants we should never have run, but for the idea that the contract would be maintained.

1515. You say that you would sustain a considerable injury, and also that you would feel much aggrieved, I think?—I do say that.

1516. Do you think that there would be any reflection on your company as far as the public are concerned?—I think that until the public knew the whole facts of the case, they might reflect on the policy of so abruptly terminating the contract, but that it would be the duty of the contractors to “educate” the public to a true knowledge of the facts of the case.

1517. Would you have taken any contract at all if you had considered that there would be any probability of its being terminated?—Most certainly not.

1518. Supposing this contract should be terminated, is it your opinion that your company would tender again for a contract of this description?—Most certainly not.

1519. I understand you to say, with regard to the slow vessels, that you burn a vast deal more coal, and keep more men on board than you otherwise would if you simply used them as cargo vessels?—Yes.

1520. Also that you would not call at Queenstown if you had no arrangement with the Government?—We would never call at Queenstown with the Saturday ships.

1521. It would be perfectly uncertain whether you would or not, I suppose?—We would not call.

1522. You drew a distinction between the number of vessels required for this weekly service, I think you said, in theory and in practice; how many vessels, as a minimum, would you require to carry out the weekly service?—The Saturday service could not be done efficiently without eight or nine vessels. There are very many cases which have occurred during the currency of our contract, when, at the last moment, or shortly before a vessel was about to sail, we discovered a flaw in the machinery, and my partner has telegraphed to me to Glasgow to know if I would take the risk, the engineer reporting that it was not very deep, and that it would probably not bring about any disaster. In all such circumstances we have changed the vessel and fallen back on our reserve; and were it not for keeping a large reserve at Liverpool, we could not maintain punctuality, as we have maintained it for the last 30 years.

1523. You would consider that more vessels are actually required as a reserve than you would employ if there was no chance of injury?—Yes; that was my reason for putting so many vessels into the present contract.

1524. Would you consider the same reserve necessary for ordinary commercial purposes?—Certainly not; we would have no reserve.

1525. With regard to the mail bags, there was something said with regard to
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L93

J. Burns, Esq.
20 March 1869.

40 cubic feet of mail bags to a ton; would there not be a greater risk, and greater care required, with regard to those mail bags than if it was simply cargo, and would there not be greater responsibility?—A much greater responsibility.

1526. Besides that, you would require a different class of vessel, both for regularity and for the purpose of steam carriage?—Certainly; the mail bags have increased very much lately; the last mail went out with three tons weight.

1527. But if you did not carry those mails, you would not leave at the same stated regular time?—No.

1528. And that would be a great injury to the commercial world, would it not?—Yes.

1529. I think you stated that by the present contract, if carried out, you would receive 70,000 *l.* a year for the two services; do you reckon those two services at 35,000 *l.* each, or do you consider that the Sunday service is much more expensive, and that it would work out to more than that?—I gave a particular reason to the Government why I would not tender for 35,000 *l.* each service; I said, "We will give you a bi-weekly service and give you a good service for Saturday and Tuesday, for 70,000 *l.*, but it is not for me to say how you may divide it; you may divide it as you choose, but my opinion is, that in the Saturday service, we are placed at a disadvantage."

1530. You would not have undertaken the Sunday service alone for 35,000 *l.*?—Certainly not.

1531. *Chairman.*] You said, I think, that your father had been very much in the confidence of Her Majesty's Government for a time?—He was then, in conjunction with our late partner, Sir Samuel Cunard, very much mixed up in all previous contracts, and was constantly in communication with the Admiralty, Treasury, and the Post Office; I believe I said, "He had the confidence of Her Majesty's Government," and I repeat that very strongly: the reason of my stating that was this, that unless the Government of the day and the Post Office had confidence in him they would not have allowed the service to be conducted for nothing.

1532. Now, your original contract was entered into first, in what year?—In the year 1839 or year 1840.

1533. And it was renewed in the year 1858 until the end of 1867?—Yes.

1534. Do you concur in the statement made by Lord Stanley of Alderley, that the Post Office have incurred an annual loss of 100,000 *l.* a year from that contract with you?—I have no means of judging.

1535. As to your contract with the Post Office of last year for 80,000 *l.* for the conveyance of the outward and homeward mail, do you know at all what the sea postage realized by the British Government was, to compensate for that?—No.

1536. Has the American Government accepted any of your vessels for the return mails?—Yes.

1537. I understood Mr. Scudamore to say that the American Government select particular vessels?—Yes; they do.

1538. Has it selected any of those vessels that sail on the Tuesday?—Speaking from memory, I think that the last ship that came in, the "Samaria," was accepted by the American Government.

1539. You have always persistently refused to tender for payment according to the service performed?—Yes.

1540. I suppose the fact is, with regard to your relations with Mr. Inman, that during 20 years' competition (as we find very frequently with companies) you would not coalesce so long as you had the monopoly of the contract up to the year 1867?—Of course, as long as it was a running contract it would have been needless to make any arrangement.

1541. You had far too good terms to feel inclined to coalesce?—No, I decline to admit that.

1542. When the Post Office were paying 100,000 *l.* a year more than the return they received, you cannot help calling them good terms, can you?—Yes.

1543. They were bad terms for the Post Office, but not good terms for you?—No; not for the class of ships then running.

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1544. Then

J. Burns, Esq.
20 March 1869.

1544. Then neither party was satisfied?—I do not say that we were not satisfied, but we were not receiving more than was required for the service.

1545. Still Mr. Inman was anxious to have a share of those terms, and when your monopoly came to an end you were ready to coalesce?—Before that there is the contract of 1868; I set that contract on very different terms with regard to money.

1546. That was for a different service?—We got 173,000 *l.* per annum.

1547. You offered to reduce that to 123,000 *l.*?—Yes.

1548. And when the calling at Halifax was done away with, you offered to reduce it to 95,000 *l.*?—Yes.

1549. Then I cannot understand that it would not be a very good contract?—But I made a distinct bargain with the Government that certain clauses should be taken out by the Government, and the most prominent of all those clauses was that of the Admiralty jurisdiction.

1550. But is it not the fact that you are relieved from a great proportion of the restrictive clauses that were put upon you in the original contract?—Yes, most certainly; we could not otherwise have afforded to make a less offer. The "Russia" was the last ship under the dockyard supervision, which means that every plate shall be tested, and of the strength such as is used in the dockyards; and the conclusion which I arrive at is this, that had the "Russia" been built under the Board of Trade survey, we should have saved about 15,000 *l.*

1551. You contend, as I understand you, that you are conferring a benefit on the Government by taking the mails, and that you are not gaining by it?—I did not put it in so strong a light.

1552. That has been rather the gist of your evidence to-day, I imagine?—But for the mere fact of my having been very much interested in this service, and not wishing to drop anything I had taken in hand, if I had known what I should have to undergo throughout this contract, I should have been glad to be rid of the whole thing.

1553. You have told the Committee of the admirable services which you have rendered to the Government at different periods. I presume that you were amply paid for those services in any point of view?—Yes.

1554. You do not mean to imply that you are to have a good contract now because you performed those services, do you?—No, but I do mean to say this, that unless that contract had been in existence, and unless the company had been paid by subsidy, those ships would not have been in existence during the Crimean war, or at the time of the "Trent" affair.

1555. But do you think that at the present time steam ships could not be taken up to convey troops whether there were subsidies or not?—I believe that the Government could get ships now as they did in the case of the Abyssinian war, where there was no subsidy at all.

1556. It has been intimated in this room that perhaps if you did not carry the mails, you would not run boats in the winter if you had not a contract?—Most certainly.

1557. You would break up your line of communication during the winter?—No, we would run a different class of vessels, but we should not run such vessels as the "Java," and the "Cuba," and so on.

1558. *Mr. Hamilton.*] Would you run the Tuesday class of vessels?—Yes, and vessels even slower than those.

1559. *Chairman.*] You stated that the main reason for an alliance between Mr. Inman and yourself was, that your countrymen were not supporting you against foreign competition?—I should have said, "country;" but I leave that question for Mr. Inman; he is master of the subject, and he has been in communication with the departments of the Government that have had that more under their control.

1560. You spoke, as I understood you, not so much of any duties you undertook for the Government, as of the general public; you said that your alliance with Mr. Inman, in a commercial point of view, was worth far more than the money to be paid for the contract?—Yes, and I maintain that.

1561. I think your answer was given as a sequence to that, and therefore that it was not the "country" but the "public"?—If the German ships are put under the same

same restrictions as Inman's ships and Cunard's ships are put, I have not a word of objection.

J. Burns, Esq.

1562. But you are put under no special restrictions from any survey for the Post Office?—No, not under Admiralty survey.

20 March 1869.

1563. There is one clause that was alluded to yesterday which the Committee was given to understand would prevent your carrying any foreign mails; do you read that clause so?—I have always understood that that is so, but I never paid any attention to the subject till yesterday.

1564. Mr. Scudamore in his evidence added that there was one thing which heavily weighted you, that you were not allowed to go to Havre and pick up French mails; do you read that clause so?—Most certainly; I understood that by the bargain, as made with Mr. Scudamore, I was not entitled to carry a single letter of any foreign nation, because by so doing I might defraud the British Post Office revenue.

1565. But as there was no particular prospect that you would carry the foreign mail pecuniarily, it is not a great weight upon you?—It is not perhaps a question that would arise, because there is no foreign country on our track unless we went to Havre.

1566. With regard to the confirmation of the contract by Parliament, there is one more question that I wish to ask you; I think you must be wrong in your idea that Parliament was not to express a judgment on the contract, except with regard to its *bona* or *mala fides*?—That is a matter of opinion; I only gave that as my own impression.

1567. My impression, which is concurred in by the Honourable Member for Salisbury, is that that was put into the contract in order to give Parliament an opportunity of reviewing the policy of the contracts?—I believe I may say that in the event of this contract not being ratified, the Post Office will have the greatest difficulty in making arrangements with contractors in this country, or, indeed, to make any bargain, because they will feel that they cannot depend on the good faith of the Government.

1568. But I think you can hardly view it as a matter of good faith on the part of the Government; the Government enter into all those contracts, as I understand, subject to their being laid on the Table of the House of Commons, and not disapproved of within 30 days?—Yes.

1569. And the contractor knows on what terms he is entering on the contract?—Yes.

1570. Therefore, I think, you cannot say that it is a want of faith in any Government if the House of Commons chooses not to confirm the contract?—Yes; but I never certainly read the clause to mean that a contract made with a Government was to be revised in all its details before the House of Commons; I read it that it was a safeguard against any Government making any contract through any kind of political jobbery or otherwise.

1571. Mr. Hamilton.] I understand you to say if you get no subsidy that, though you will not take off your line of steamers from the United States' service in the winter months it may be occasional instead of regular, as it is now?—We would reduce the sailings according to the state of the market.

1572. From week to week?—Yes.

1573. Do you know the amount of the sea-postage in the year 1868?—No.

1574. Would you be surprised to hear that it was 70,000*l.* on the whole of the correspondence outward from this country to America?—My attention has never been directed to that question. I have consistently held aloof from that question.

1575. Assuming that to be right, and that the Government was inclined to add even the inland postage, which would bring it up to 110,000*l.*, irrespective of the home postage from America, do you think that the prospect of having a share, and almost the whole of so large a remuneration for carrying the mails, would not operate upon you as a sufficient inducement to carry the mails for the winter months?—I should be delighted to go into that if Mr. Inman and myself were guaranteed the whole of it.

1576. Are we to understand that you would be prepared to take the whole of the postage, provided it was guaranteed to you and Mr. Inman in lieu of a fixed subsidy?—If the minimum is to be 105,000*l.*

1577. If the Post Office would show you certain statements which would

J. Burns, Esq.

20 March 1869.

leave on your mind the impression that the postage would in all probability this year not be less than 105,000 *l.*, would you do it?—Yes.

1578. That being so, would you be prepared to modify your contract, and to accept the postage instead of the subsidy?—Yes, if the Post Office will initial that and say that I shall get it at the end of the year.

1579. If the Post Office were to lead you to believe that there are reasonable grounds for believing that that would be the amount, would that be a sufficient inducement for you to take the postage in lieu of a fixed subsidy?—No, I cannot go “on reasonable ground;” I must go on a matter of fact.

1580. You would not take an uncertainty?—Certainly not.

1581. *Mr. Seely.*] Before I put a question to you, the Chairman will perhaps allow me to observe that when I put the notice on the paper of the House, I had not had the slightest communication, to the best of my knowledge and belief now, with the Government or any Member of the Government, and that I did it totally independent of any one?—Viewing it as an individual motion of a Member of the House, I thought it my duty to acquaint the Government, if that motion was carried, what the effect would be, and I thought naturally that the Government would see there was a large question involved in it, but to my great astonishment the Government maintained their ground.

1582. I should like further to observe that, after the notice was put on the Table of the House, of course it was talked about, and I modified it?—Yes.

1583. You have said that if the contract were abruptly terminated, you would sustain some loss?—Certainly.

1584. Would that loss be greater than you would have sustained if the contract entered into in the year 1868 had terminated at the end of 1868?—Certainly, because the three months of the winter, January, February, and March, are the worst months in the year.

1585. You also said that if you had no subsidy, you would not call at Queenstown on the Sundays?—Certainly not.

1586. But supposing you had no subsidy, would you still run your ships on the Saturday from Liverpool?—That would depend entirely on trade requirements; very probably we should sail the Saturday ships during the whole of the summer without touching at Queenstown.

1587. We have had evidence before the Committee that other companies do almost invariably call at Queenstown which have no subsidies?—Yes, and so would we during the emigrant season.

1588. I have an impression that it has been stated to the Committee those companies call regularly at Queenstown throughout the whole year; is that so?—I think most likely they do.

1589. They do that for their own interest, I suppose?—Yes, certainly; they do as we do; we call for emigrants, but we do not wait there; last week one of the ships left Liverpool with her full complement, which, but for the mails, would not have called at Queenstown at all.

1590. You have said that there would be a greater responsibility resting on you under the present circumstances, than for goods only?—Certainly; because at the present moment we have to use the greatest care in handling the mail bags and seeing that they are put in a safe place, free from danger; for instance, that they are put in a part of the ship where, in the event of a collision, they could be got hold of before any of the cargo was touched.

1591. But you would sustain no loss with regard to the letters if the ship was wrecked and the mail bags lost; you would pay nothing for the loss of the mail bag, would you?—Certainly not.

1592. *Sir Massey Lopes.*] If the ship was wrecked I suppose there would be no responsibility with you; but supposing through your neglect or carelessness any injury happened to one of those mail bags, would you be held responsible for that injury?—No.

1593. *Chairman.*] Suppose the French Government were to send a mail from Havre in your boat to meet you at Queenstown, you would not be able under your present contract to take that, I suppose?—I maintain that we are not.

1594. *Mr. Graves.*] Then, if they did, the Post Office would take the amount?—Yes.

1595. *Chairman.*]

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1595. *Chairman.*] Would not your claim to compensation as against the Post Office, if your contract were broken now, be referred to arbitration?—I have no idea.

J. Burns, Esq.

30 March 1869.

1596. Have you anything to add to your evidence?—There is one thing more: you mentioned just now that I put it pretty much on the footing of a favour to the Government; I should be very sorry that any such impression should be left upon the mind of the Committee; I have tried both by correspondence and by my evidence to-day to give an honest statement of how things have taken place, but I have never put it on the footing of dictating to the Government or conferring it as a favour.

Mr. *William Inman*, called in; and Examined.

1597. Mr. *Graves.*] You are managing owner of the Liverpool, New York, and Philadelphia Steam Ship Company?—Yes.

Mr. W. Inman.

1598. The Committee having had before them the fact that your steamers, up to the end of last year, have carried United States and British mails on the basis of the ocean postage, will you state what led you to change your form of tender last August?—From the experience of the autumn and winter of 1867, 1868, and of the contracts for 1868, my co-owners agreed with me that the time had arrived for a settlement of the Atlantic mail service, considering not only the relations previously existing between the Cunard Company and ours, but also the encroachments of the foreign companies which, by a change in British laws, built their steamers side by side with ours on the Clyde, and then avoiding all British surveys, claimed all British privileges of carrying passengers, mails, and goods, so that in fact they earned all they could from their own countries and then called to fill up with what they could obtain in England. We therefore decided to come to an agreement with Messrs. Cunard, and in my discussion with Mr. John Burns in August last, agreed upon the basis of ocean postage of 1,200 *l.* a voyage, which was in strict accordance with the views expressed in my letter of the 22nd November 1867, read yesterday, and I still think that my tender of 50,000 *l.* was as low a sum as we should have received to perform an efficient service.

1599. Have you any objection to state to the Committee what sums you had been receiving from the United States Government for the conveyance of the mails before 1868?—In 1866 we received 245,000 dollars or 36,000 *l.*, in 1867; 220,000 dollars or 33,000 *l.*; this was when the service was divided between the German, Hamburg, and American lines, and our own; the English money is to be taken in depreciated currency.

1600. Did your postal arrangement with the United States for the last two years embrace the outward and homeward mail?—Certainly; we had no contract whatever with the British Government, and we had our agent at Washington who settled with the Postmaster General about the end of the preceding year with regard to the number of times we were to sail, the number of times the German vessels were to sail, and the number of times the Hamburg-American vessels were to sail, and we were liable to 24 hours' notice at any moment to have the mails taken from us and put on board any American steamer that chose to come across.

1601. Were the arrangements the same in 1868 as they were in the two previous years?—The 1868 contract has just expired.

1602. Were the postal arrangements for 1868 different from those which you had in 1866 and 1867?—Yes, they were entirely different.

1603. Will you state in what respects they were different?—In 1868 we first came under a contract with the British Post Office for 1 *s.* an ounce outward, and a regular rate for carrying what we call the homeward mails from the American Government.

1604. Would you be kind enough to state to the Committee what were your postages out and home last year?—Our postages in 1868 put together realised 31,800 *l.* for one full service, a very greatly reduced, and, in my opinion, inadequate payment for the service performed.

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Mr. W. Jaman.
20 March 1869.

1605. How do you divide that?—About 22,000 *l.* from the British Post Office, and 9,000 *l.* from America.

1606. Did you carry the same extent of correspondence home that you carried out?—I think it is rather more homeward; we have been favourites in America for some time.

1607. *Chairman.*] Then the American rate that you received was less than one-half what you received from the British Government?—Yes, we were very much deceived in that arrangement, and we have refused to continue it with the American Government.

1608. *Mr. Graves.*] Is the Committee to understand that you have refused to carry the homeward mails for the United States Government on the same terms as you had been doing?—Yes, the whole of the four companies are agreed upon that. The German Company, the Hamburg Company, the Cunard Company, and our own, have come to an agreement that we will not carry mails on the terms which the late Postmaster-General of the United States requested us to do; we have refused to go into any contract, and I have left two Saturdays vacant; we have not put a boat on.

1609. *Chairman.*] But the terms of your contract and that of the four companies with America were yearly contracts; you say that the four companies are refusing any longer to carry mails for the American Government at the rate which the Post Office wished to impose upon them?—Yes.

1610. Then on what terms are you now; what notice had you to give to the American Government of the cessation of your contract?—A day; there is, in fact, no contract.

1611. Then you and the four companies, in refusing to carry any homeward mails, could entirely stop the homeward postage from America?—If we chose to do it we could do it to-night.

1612. *Mr. Graves.*] Does your disinclination to carry the American mails homeward arise from want of remuneration or from any restrictions that exist?—I lost considerably more last year than I received by it, perhaps double.

1613. Do you estimate at any value the carrying of these mails homeward?—No; I have been brought up in the school of adversity, and I have been 19 years without a contract, and I can do it still.

1614. The Committee would be glad to have some information with regard to what surveys your steamers are subject to which are not enforced on foreign steamers in the same trade?—Our steamers undergo every six months a rigid survey both as to hull and machinery by one or two engineer surveyors of the Board of Trade, who put under their lock the safety valves regulating the pressure of steam to be carried, and requiring whenever they like that the boilers shall be pressed to double the pressure they allow. Then, before every voyage we must engage certificated masters, mates, and engineers; also, two surveyors from the Emigration Board survey each vessel every voyage and give a certificate of the draft of water they think she should be loaded to; another surveyor from the same Board looks after the loading and proper nature of the cargo; another surveyor from the same Board, being a physician of the Navy, examines into the soundness of health of the crew and passengers; another surveyor, being a captain in the Royal Navy, examines into the efficiency of every sailor on board the ship, as his name on the articles is called over in his presence; also into the ground-tackle, life-boats, buoys, &c., only granting his certificate to allow the vessel to proceed to sea when he is satisfied on every point: so that, in fact, we undergo eight surveys from which the foreign companies are exempt.

1615. If you were exempted from those surveys would you be enabled to conduct a mail service at a lower cost than what you now demand?—Certainly; the lightness of build of the foreign steamers fully accounts for their speed, and I myself feel greatly aggrieved at being brought into competition both in England and America with such vessels.

1616. *Mr. Hamilton.*] Are those the conditions of the Board of Trade?—No; the six months' survey of hull and machinery is Board of Trade; the "every voyage" is "Emigration Commissioners."

1617. *Mr. Graves.*] Have you ever taken any means to represent this to Government?—The North Atlantic Steam Traffic Conference, comprising every steam company in Liverpool and Glasgow, made representations last year both

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to the Board of Trade and Emigration Commissioners as to the injury inflicted on the commerce of this country by the exemption of foreign vessels from surveys. I will hand that letter in; it is a *resumé* of a document now in the hands of the Board of Trade.

1618. *Chairman.*] That is a letter, I presume, complaining of restrictions put upon you by the Board of Trade, but not having anything to do with the Post Office?—Nothing whatever.

1619. *Mr. Graves.*] Is it within your knowledge that foreign steamers are of lighter build and less durability than yours?—Yes; and I am quite satisfied that time will show it, and proof of it has been sent to the Board of Trade.

1620. Can you give any instance of any steamer passing from foreign into English hands which was not satisfactory to the Board of Trade surveyors, until she was strengthened?—Yes; Mr. Allan, the managing owner of the Canadian Mail Line, stated that when he bought the steam-ship "Hammonia" from the Hamburg Company for his Canadian Mail Line, the Board of Trade surveyors would not continue her certificate until she had been materially strengthened, at a cost of many thousand pounds.

1621. Do all your steamers call at Queenstown?—No; they have not always any necessity, and frequently in the passenger season they simply anchor to wait for the mails having been full of cargo and passengers on leaving Liverpool.

1622. Are they frequently detained there beyond the usual time, to your loss?—Yes; they have been detained there sometimes by telegraph from the Dublin postmaster till nearly midnight, and two of them have grounded in the harbour in pilots' charge in consequence of thick darkness, which would not have occurred had they been able to proceed to sea at the proper hour.

1623. Frequent reference has been made to passengers from Southampton and Queenstown; could you give the Committee any idea of the relative distance between the two places and New York?—Yes; from Queenstown to New York it is 2,783 nautical miles, and from Southampton it is 3,081 miles; it was so put on the chart which was laid before the Packet Contract Committee many years ago; this distance is to the New York Quarantine Ground.

1624. Do you attach much importance to penalties?—I was very indignant at the penalties put upon me last year.

1625. Do they put penalties upon you in New York?—They never have put any penalties upon me in my life.

1626. Are you under any obligation to wait at all at New York?—Last year, when the contract was made for one year with the Government at Washington, they did insist on our waiting and not sailing until after they could make up their mails at noon; and in consequence of that, one of our ships has been disabled for six months by an accident when she came out in a snow-storm, and the four companies united have written to tell the Government of the United States that they would sail at their own time; we now go out of New York sometimes at eight in the morning, and we wait for nothing.

1627. So that you would regard your service in connection with the homeward carriage of the mails as an irresponsible service?—Quite so; it is anything you like; in fact, in my opinion, it is a question whether the Postal Convention is being now maintained by the United States.

1628. An allusion has been made to the carriage of mails on the same grounds as merchandise; supposing you were running the same speed with the letter-bags as for commercial purposes, and all other circumstances were the same, I suppose there is no reason why you should not carry the letter bags as cheaply as merchandise?—If they are treated as merchandise we could do so.

1629. Supposing there is an obligation placed upon you to run with great speed and to carry, say, across the Atlantic, at 12 knots an hour in place of 10 knots an hour, would you give any idea of what the difference of cost would be for the carriage of those mails; taking coals alone, how many tons of coal additional would you require on the outward and homeward voyage?—The "City of Dublin," in our fleet, burns 30 tons of coal a day and the "City of Paris" burns 86 to 106 tons a day, according to circumstances, so that there is a difference of 70 tons between the two vessels in our fleet.

1630. That would be 1,500 tons, in round numbers, between those two ships?—Yes; and that you may take at an average of a guinea a ton.

Mr. W. Inman.
20 March 1869.

1631. Would that represent the entire loss; is not there the displacement of 1,500 tons of cargo?—Yes, the same quantity.

1632. What money value would that represent?—Our rate is 3*l.* for fine goods, and it was 5 *l.* once; but you may take it all round at about 2 *l.* a ton.

1633. And this you would give as a reason why the letter bags should not be carried as ordinary merchandize, if speed is to be an obligation?—Certainly.

1634. Do you consider that you get more passengers from the fact of your vessels carrying the mails?—I do not think we do; I think some companies who are offering cheap postage might consider that it would be to their advantage; but as we were first in the American trade to carry emigrant passengers, and we are so well-known all over America, and our name has been so long associated with the American trade, I do not care anything for that.

1635. Though it might be an advantage to a company not so well-known as yours?—Undoubtedly.

1636. Mr. *Seely*.] In your correspondence with the Post Office, or the Treasury, I think you stated that the subsidy paid to the Messrs. Cunard enabled them to under-quote your rates of freight?—Yes; and that was undoubtedly the case when the Messrs. Cunard were receiving 180,000 *l.* a year, and I was only receiving 15,000 *l.* or 20,000 *l.*; but the circumstances have entirely changed.

1637. But the fact of parties receiving subsidies does enable them to take their goods at a lower rate, does it not?—That is not my opinion on these subsidies; I think the whole of the mail money is lost in the expenditure; I am not afraid, if I lose the contract to-morrow, if I ran the steamers without the mails, that I should suffer a loss of 6 *d.*

1638. Do you remember the date of the letter which you have referred to?—I have repeatedly sent that representation in, but my first complaint was before the Packet Committee, which sat in the year 1860.

1639. When was this last complaint made?—It was in November 1868, when I complained that we were not put up to the old ocean postage.

1640. Then, in 1868, you complained of a subsidy of 80,000 *l.* being allowed to the Messrs. Cunard?—Yes.

1641. And you said that that subsidy enabled them to under-quote your rate of freights?—No doubt I did.

1642. The subsidy paid them in that year was 40,000 *l.* inward, and 40,000 *l.* outward?—That is a matter for the Post Office.

1643. But the amount which the Messrs. Cunard received for the year 1868 was not much more than the amount which they would receive for the year 1867, because they had 40,000 *l.* for the outward mails, and they have only 35,000 *l.* for the one service in 1869?—That is so.

1644. Then it appears you considered that the receipt of a subsidy of 40,000 *l.* enabled your competitors to under-quote your rates of freight?—No, not at all; if I understand the question rightly, it is not so, because they had 80,000 *l.* for one service, and I was only expecting to receive 30,000 *l.* for one service. But the Messrs. Cunard have now bound themselves under an agreement, which I would not take, to sail two boats a week for eight years to come. I would not do it for anything like the sum.

1645. In your correspondence with the Post Office you pointed out what was quite true, that your company had been in existence 17 years, and that your vessels were as good as the Messrs. Cunards' vessels?—Yes.

1646. It appears that you, without a subsidy, have established a fleet of vessels as good as your competitors (if they were competitors then with you) who had a large subsidy?—Yes.

1647. The inference that I should draw from that would be this, that the subsidy was not essential to success?—My opinion is that the subsidy is not essential to success to-day, and I do not pretend that it is.

1648. Now, with regard to calling at Queenstown, what do you estimate the extra cost at which a shipowner would be put to in consequence of calling at Queenstown instead of sailing direct from Liverpool?—In the year 1864 it cost my company 40,000 *l.* in the loss of the "City of New York" on Daunt's Rock, after receiving our insurance money. I dislike Queenstown, because when we are kept late for the mail train we have to lie at anchor in dark foggy nights, and we have been twice aground.

1649. What

1649. What is about the average extra cost, irrespective of shipwreck, involved in calling at Queenstown?—I cannot tell you.

1650. But what should you think?—If we did not call at Queenstown, we should take our departure for America from Tuskar. When I was fined last December, under the 1868 contract, I was fined when the captain was sounding off Tuskar; whereas if he had not gone to Queenstown he would have gone straight to sea. The expense of calling at Queenstown depends on whether by leaving Cork at night, we make Sandy Hook in the dark, or whether we make it in the daylight, and if we do not make Sandy Hook in the daylight, we may lie off there for as many as 36 hours waiting for a pilot if it is foggy.

1651. But is there any extra expenditure?—Certainly.

1652. What is it?—You have to engage steam tugs and pay double pilotage, and to bank your fires up, all your furnaces going, your cabin and other passengers, sometimes a thousand of them, eating and drinking, and, in fact, we have lots of expense.

1653. What would that amount to?—I really cannot tell; I might say a couple of hundred pounds a voyage.

1654. It is not the fact that your vessels have regularly called at Queenstown?—No, it is not.

1655. Have they generally done so?—Generally they have.

1656. When you advertise that vessels are going to sail, do you state if they are going to call at Queenstown or not?—Yes, we put "To call at Queenstown, to embark Her Majesty's mails and passengers;" we put no fixed hour.

1657. Do many passengers get on board at Queenstown?—Sometimes there are a good many, and sometimes there are none.

1658. During the time that you had no subsidy, namely, 17 years, did you sail on fixed days?—Yes.

1659. Did you try to make the voyages as quick as possible?—Yes, we had the Cunard Company against us with a great name, and we had to earn a name against them.

1660. And you did so?—That is for the public to consider.

1661. Did I understand you to state that you had never paid any penalty for being late?—Never, until it was inflicted by the British Post Office since this year came in; that is on the last year's contract.

1662. Supposing you had no subsidy, would you endeavour to run your ships as quickly as you do now?—We should run ships.

1663. But as quickly?—No, certainly not.

1664. But supposing other companies did run ships as quickly as your line now, would they be likely to get passengers and goods which you would lose?—I do not know, in the first place, where the ships are, and secondly, I do not know that there are any building.

1665. But people who want to go to America, and who send goods to America, as a rule, take the quickest ships, do they not?—Yes, they are giving our quickest ships one pound a ton over other steamers, except Cunards'.

1666. Mr. Hamilton.] Did I understand you to say that there was no profit to you from this contract?—I consider that there was none.

1667. Then what was the inducement to take it?—Because we liked to have a regular service, and we had never had it before.

1668. But what was the inducement?—Simply for the sake of putting "Royal Mail Steamers" on our ships.

1669. But you have stated that your service was so well known it did not want that advertisement?—It will not want it after this inquiry.

1670. There must have been some other inducement, I suppose?—There was simply the inducement of making an equality on the Atlantic with the Great Cunard Company.

1671. What do you mean by equality?—I hardly know what is meant by the question; I call it being on an equality when we can sail our ships, and nothing gives them an advantage over us.

1672. It was formerly the unsubsidised companies *versus* the Cunard companies, it is now the Inman and Cunard *versus* the rest of the world; is that equality?—Not so; from a pamphlet of the "North Atlantic Steam Traffic Conference," we are all bound here by a bond amongst ourselves, and the signatures to that bond are "D. and C. MacIver, William Inman, Allan Brothers & Co., S. B. Guion, Handyside and Henderson, and the National Steamship Company," who

Mr. W. Inman.
20 March 1869.

agree to minimum rates of freight, minimum rates of passage money, and minimum of railway rates, to be charged in America, and the rates of freight on goods.

1673. Then you are all combining against the public?—You may form your own conclusions; here is the pamphlet, and it binds us.

1674. What is that pamphlet?—“*Epitome of Rules and Rates of Freight for Steerage Passengers and for Goods, with Agreement to abide by the same.*”

1675. I want to get from you, inasmuch as you do not anticipate any pecuniary advantage, what inducement there was to enter into this contract?—We had been always carrying the mails, and there was no reason why we should not continue to do so. The ocean postage brought us in a much larger sum than this postage was now doing, and last year we said, we will make a certainty of it; we will compound for it.

1676. Under the ocean postage you got more than you do now?—Yes.

1677. It was 36,000 *l.* in 1866, and 33,000 *l.* in 1867, for the homeward mail, and 31,800 *l.* in 1868; 22,000 *l.* being English, and 9,000 *l.* American?—Yes; but that was for a fourth of the United States postage, and we were not running half the steamers for it; in those years the average was about 13 voyages by my Company, 13 voyages by the Hamburg Company, 13 voyages by the German Company, 9 voyages by the American steamers, and I had the entire Irish Mail, and that was the proportion.

1678. This was not for a weekly service?—No, certainly not; that was a division between the four companies; what I am receiving now is for one full weekly service, and I am doing four times the work.

1679. In 1868 was it a weekly service?—It was not a weekly; in 1867 there was a bi-weekly service, *i.e.*, Cunard's one full service, and the German, Hamburg-American, and my Company, the other service between them; in 1868 there were four full services.

1680. In that year you got less for the outward mail than you now get for the inward mail alone?—No.

1681. Therefore, this bears a favourable comparison with regard to the remuneration of the previous year, does it not?—No; that was for one-fourth of the service.

1682. I thought I understood you to say that last year, 1868, it was a weekly service; is it not a weekly service now?—Yes, now it is, but it was not in 1866 or 1867.

1683. In the year 1868 (you handed in these figures) you got 22,000 *l.* after deducting certain penalties from the English Post Office, and 9,000 *l.* from America, and you are getting now in 1869, on the basis of a fixed subsidy, a larger amount of remuneration than you got for the weekly service of the outward mail in 1868?—Yes; the 1868 service was an experimental service; I would not repeat the experiment.

1684. What are you getting now from the American Government?—We have got nothing yet, but 20 cents is the rate.

1685. What will that probably amount to?—In depreciated currency perhaps 8 *d.*

1686. But the whole amount?—I cannot tell; it may be 12,000 *l.* perhaps.

1687. But that is in addition to the 35,000 *l.* which you get from this Government?—Yes.

1688. Now about foreign vessels; you say that English vessels are specially subjected to the conditions of the Board of Trade and the Emigration Commissioners; is it the fact that foreign vessels going into Liverpool can take out emigrants without any interference on the part of the Emigration Commissioners?—That depends on circumstances; if she is a foreign vessel under a foreign flag, sailing from Germany, calling at Liverpool to take out emigrants, she can go without any supervision. I had a conference with Mr. Horace Lloyd and Mr. Mellish, about this time last year, in which we tried to do what we could to bring foreign vessels under the emigration surveys at Southampton, and those gentlemen gave it as their opinion that a foreign ship could come into an English port and could take in what she liked and go on without survey.

1689. But she cannot sail from an English port without coming under the regulations of the Emigration Commissioners?—She cannot start from an English port.

1690. In that respect you are on the same footing as a foreign built vessel with regard to the Emigration Commissioners, are you not?—Nothing of the kind; those opinions which I have mentioned were given, and I have had an interview

interview with Mr. Murdock, Chairman of the Emigration Commissioners, and he held the same view; the German steamers leave Germany, and do not start from Southampton.

Mr. W. Inman.
20 March 1869.

1691. With regard to a foreign built vessel coming into the Port of Liverpool sailing under a foreign flag, starting from Liverpool and not coming in to fill up, she is under exactly the same restrictions as the Emigration Commissioners enforce with regard to English vessels?—With regard to the Emigration Commissioners only; that is, if she comes in in ballast and makes the voyage out.

1692. Do you think that certain conditions which are imposed in the contracts of the Post Office are onerous conditions, and that they are not of much value to the postal service; there are some conditions which are not postal conditions, are there not?—If I am told what they are I will offer an opinion.

1693. Do you not know them?—I have not read them since last October.

1694. There is one condition about sorting on board; that is abandoned; there is another about a postmaster altering the hour of departure; did you consider that onerous on the contractor?—I think it is in the published correspondence, and it is certainly the understanding that we fix our own hour of departure, but that the postmaster ought to have it under his control, and that if I named an unreasonable hour the Post Office would have the power to tell me that it was not a convenient hour.

1695. Was it felt to be an onerous power which was possessed by the Admiralty to purchase your chartered vessels?—They may have the vessels with the greatest pleasure, but it made no difference, in our terms, because, as will be seen from the papers, it was not a matter of payment—it was merely suggested after my agreement had been made, and I took it without any additional payment.

1696. Sir *Massey Lopes*.] Is it compulsory upon you now by your present contract to touch at Queenstown, both on the outward and homeward voyages?—Not homeward, under the contract.

1697. We understand from you that you are put to a considerable additional expense by being obliged now to touch at Queenstown outwards?—Undoubtedly.

1698. I think you mention that the distance is something like 238 miles more, comparing touching at Queenstown with going from Southampton?—Going from Southampton is the greater distance by 298 miles.

1699. By the figures you gave us, I think the additional distance is 238 miles?—Yes; the distance is 298 miles.

1700. If you computed those miles by time, what difference would it make?—That would make no very great difference; I have been down express from Dublin to Cork myself in less than four hours on a special occasion; the mails are express.

1701. I meant to ask what would be the additional cost to you of sending your vessels from Queenstown rather than from Southampton, the distance being so much greater?—I hardly know how to answer that question, because our trade is a Liverpool trade.

1702. There would be a difference in the quantity of coal burnt, and your passengers, of course, would be consuming something more in going the longer distance?—Undoubtedly.

1703. And then again you said that your risk would be considerably greater?—Undoubtedly.

1704. You mentioned a case or two in which you had experienced a great loss under the contract?—We have.

1705. Then we may take it that you consider that almost the whole amount of this subsidy, which you are now getting from the Government, is expended upon these additional matters which are now made compulsory upon you, namely, touching at Queenstown first of all?—Yes; I consider that it is all entailed by the mail service; I am satisfied (and I have told my co-owners so) that I could save every sixpence of it without these requirements.

1706. You mentioned just now that there were eight different surveys of your vessels required from you, from which foreign companies are entirely exempt?—That is so.

1707. If those did not exist, you could carry, not only your mails, but the passengers and cargoes very much cheaper, could you not?—No doubt.

1708. Supposing this contract was terminated abruptly, would you consider that you should experience any loss?—Certainly; undoubtedly I should.

Mr. W. Inman.
20 March 1869.

1709. Can you give us any reasons why you think you would lose?—I do not see why I should be chary of stating what I know to be a fact (my head book-keeper is in the room, if you like to ask him), namely, that we have had 20,000*l.* loss by debit balances, on voyages in the vessels we have been obliged to run in the winter; for instance, I sent the "City of Paris" for mail requirements alone, on the 27th of January, as I told Mr. Tilley, and when the balance is struck, I am satisfied that I shall have a debit balance of 3,000 *l.* on that voyage, and others like it; nothing would have induced me to send her but this contract.

1710. This loss is occasioned by your having been compelled by the present contract to send these vessels across the Atlantic during the winter months which you otherwise would not have done?—Certainly I should not have sent them; I would have sent boats burning 30 tons of coal a day; I would have carried on the service, but I would have carried it on in a very much less efficient manner if it had not been for the contract.

1711. Therefore, I understand that you consider that not only would injury be inflicted upon you by the termination of the contract, but upon you and the company with which you are connected there would be some little reflection cast?—It may be so; I do not care much for the reflection.

1712. *Chairman.*] You have gone through too much in the last 17 years to care much for reflections, I think?—I think so.

1713. You have been the great champion of open competition as against monopoly before Committees of the House of Commons in a public capacity and in other ways?—They say so in America.

1714. You fought out the great battle for 17 years against a heavy subsidy, and I think we may congratulate you upon your success?—I am much obliged to you.

1715. You offered on the 1st of March 1858 to carry the mails for the ocean postage, did you not?—Yes.

1716. And you continued to make offers at every opportunity, and continued to protest against the mails not being offered to open competition?—Yes.

1717. Before the Committee in 1860 you stated that the payment of subsidies prevented other companies coming upon the station, and that it would be a most serious thing to your company if the mail grants which were then contemplated, were carried out?—Yes; but in the meantime it came down from a subsidy of 180,000 *l.* to less than what was the ocean postage; I maintain that I am getting less than what my ocean postage would have brought me in had it been continued.

1718. You have gained your end, and Messrs. Cunard's is not now the sole subsidised line of steamers running from England to America?—I maintain that I have gained my end in this, that the Atlantic is now an open sea upon which anybody may come; there is no advantage to anybody over others.

1719. Do you quite maintain that when you and Messrs. Cunard have got a fixed contract with a subsidy for eight years; can you still maintain that the Atlantic is an open sea?—I do.

1720. You look at it now as the owner of a subsidised line, and no longer as one of the public?—No; I do not indeed.

1721. Will you give your reason why you now regard the Atlantic as an open sea for traffic altogether?—I believe I have already given my reason to the Committee, and it is this, that the carrying of the mails will cost every sixpence of what the Post Office are going to pay for it.

1722. You put it upon this ground, that your receipts are not more than enough to pay for the extra expenditure occasioned by the contract?—Just so.

1723. Then why have you and Messrs. Cunard laid your heads together and stood out for a fixed payment, rather than accept a payment by results, as we may call it?—Because we prefer to have something settled; I cannot give any other answer. We like to know what we have got to do, and what we are going to have for doing it.

1724. But if the payment you are to receive will barely cover the expense of the work you are to perform, I do not quite understand why you should both resolutely determine not to be paid according to the work you do, without any further remuneration?—I think if you go back to my tender for the mail service for 1868, which would be in November 1867, you will find that I there put as one of the conditions of my tender, which the Post Office did not for that experi-
mental

mental year accept, that there should be a maintenance of the full collection of letters.

1725. That the letters should be fairly shared?—Yes.

1726. And that, you conceive, was not done?—I maintain that it was not done; I maintain that by giving the Germans a Tuesday mail I had just one day's picking, instead of having four days' pickings as I had before, and that the mail service was entirely destroyed. You will see what I stated when I tendered in 1867.

1727. Referring to the letter, as quoted from the correspondence of the 22nd of November 1867, I see that you then felt yourself considerably aggrieved at Messrs. Cunard getting different terms to you?—Yes, certainly.

1728. You had tendered according to the Government requirements, and Messrs. Cunard had refused to do so?—That is so.

1729. And you thought it a hardship?—Yes.

1730. You said, "I tendered to advertisement in full faith that the Post Office had fixed the pay, and I think even now others will do it if Cunards will not"?—Yes, I did.

1731. Have you seen any reason to alter your views that others will do it now if Cunards will not?—Not as well.

1732. You said nothing about "as well" in that letter?—No, I think we might have offered a second set of vessels, but then I wish it to be remembered that the circumstances were extremely different, and that equality on the Atlantic had not then been reached.

1733. The equality had been reached at that moment, because the Cunard contract was at an end; your contract had not begun, and you had both made tenders for a fresh contract with the Admiralty, and therefore you were on equal terms?—I believe my meaning there was this, my co-owners and myself met about it, about the same time I came to London, and I wrote that letter in London; the general belief then was that Messrs. Cunard had such a good service that there was no use in tendering for the Saturday service against them, and therefore no companies tendered for the Saturday service.

1734. You see you made no qualification; you said that others would do it if Messrs. Cunard would not?—I did.

1735. I think that is only what you had said for the last 17 years almost, I may say?—It is quite right; that is so.

1736. Then you do not raise any objection to calling at Cork, but you remark that, "Our steamers are as good as Cunards', who have followed our example in screws, and in calling at Cork free, after asking 500 *l.* a trip." Therefore you had started calling at Cork free, without making any claim for the difficulty or delay of it?—I did; I had no mails, and my company was the first in the kingdom to call at Cork, but then that is not waiting at Cork.

1737. Are you building any more vessels, because you have received this subsidy?—There is one building; there is one on her first voyage now; when the contract was signed she was being built, and she has been launched since the contract was signed, and there is another now being built.

1738. Is the one now being built being built in consequence of orders given after the contract was signed or before it?—Before the contract was signed, but we have made a contract within four weeks; no, I think it is two months for improving one of those contract vessels, and the contract is for 40,000 *l.*

1739. During the 17 years, when you speak of Messrs. Cunard as being "the most highly favoured competitors," is it a fact that you were building vessels and adding to your fleet continually, until you got the large fleet you now have?—I was.

1740. Is it not really a fact with regard to English and American postage at this present time that the Americans are making use of the English Government contracts and the English Government payments to extract terms if they can from ocean steamers to do their postal service at almost nominal rates?—That is a fact, the Americans have entirely made use of the action of this country, and there is no doubt that they do think that as the British vessels are not American, and do not carry their flag, they ought to drive a harder bargain; they have the British vessels over there, and they make terms which are advantageous to themselves; they are just using our vessels to do their work.

1741. And they think as the English Post Office is going to pay, or has been

Mr. W. Inman.
20 March 1869.

in the habit of paying a far heavier amount than would be earned by the services rendered, they, the American Government, may as well take advantage of the Post Office regulations of the British Government to get their own postal service done very cheaply?—What the Americans do is simply this, they find British ships out there coming home again, and they say, just carry our bags.

1742. The Americans make the best bargains that they possibly can?—I think there can be no doubt of that.

1743. The English Government have not had that reputation, have they?—I think they have made an uncommonly good bargain this time.

1744. Can you honestly say that you think that the English bargains for postal services across the Atlantic upon the whole have been good ones?—Is that a question I should answer? I can only say that when the Crimean war was going on I could not get the same terms from the English Government for transports as I could from the French; and whilst a Member of the House of Commons stood up in the House and said that the English Government could not get transports, I let my steamers to the French, who were paying much higher terms for them than the English Government would.

1745. That was not a postal contract?—No, but it is an instance bearing upon the question of whether the English Government makes good bargains or not.

1746. All this evidence with respect to the eight surveys your vessels undergo is most interesting, but I do not see that those surveys have anything to do with the postal service, have they?—I think they have; I should not have mentioned them unless I thought they had.

1747. Do the Post Office require any of these surveys?—The Post Office do not actually call for those surveys; but the English vessels which are under tender are very heavily weighted as against the foreign vessels, by those requirements.

1748. If they are English vessels they have to undergo these surveys, but not in order to fulfil the requirements of the Post Office?—No, I mention it simply because a vessel under the British flag carrying the mails has to enter into the competition, heavily weighted, against the foreigners.

1749. Therefore these surveys have nothing to do with the matter before us, which is a Post Office matter; these are merely matters for carrying out the Emigration and Navigation Laws, are they not?—Yes, I do not know whether I may be allowed to make an observation upon that point; I should say that I think the Post Office ought to have these surveys; it ought to be the duty of the Post Office to see that these surveys are made in the case of all ships carrying mails.

1750. But it is not?—No, it is not; but how do you know how long your mails will go in that way.

1751. Mr. *Graves*.] Let me ask you whether the Cunard Company, having been placed upon the same footing as yourself, with regard to the homeward mails, we may calculate upon their receipts being at all like yours?—No, their receipts will be only half mine.

1752. Why is that?—From the fact that the late American Government specially asked the German Company, and my company, and the Hamburg-American Company to take the mails on Tuesdays, Thursdays, and Saturdays, and they left Cunards' out in the cold, to come on the Wednesday with one day's collection; that is no doubt why Cunard's collection homewards is less than ours. Messrs. Cunard collect only from Tuesday to Wednesday, and I collect for two days from Thursday to Saturday; and Saturday always having been the day of the old Collins line out of New York, that is of course a very heavy mail day, and the United States Government offered it to me first.

1753. Mr. *Seely*.] Your vessels bring a greater weight homewards than some of the other vessels, do they not?—I believe we do.

1754. Do you think that you bring as great a weight of mail bags homewards as you take outwards?—I think more.

1755. I think you said that you received about 12,000 *l.* for carrying the homeward mail?—No; I said we received about 9,000 *l.* last year; and as we have refused to carry the mails at the 15 cent rate, and the United States Government have agreed to pay our demand of 20 cents, I expect that it will just put up the amount to that figure.

1756. To 12,000 *l.*?—I think so.

1757. Last year you received 9,000 *l.* for bringing home a certain weight of mails, and now you are to receive 35,000 *l.* for carrying a less weight outwards?

—I beg

414
 Mr. W. Inman.
 20 March 1869.

—I beg your pardon ; we are not to receive anything ; the Postmaster General of the United States distinctly told our manager that he would not give us regular mails, and that we should only receive them from week to week, and we are each at the other's mercy at this moment.

1758. However, you estimate that you will receive 12,000 *l.* for the homeward service?—That is assuming that the service continues, but there is no certainty of the service continuing for a single day.

1759. But if the service should continue the probability is that you would receive about 12,000 *l.*?—I expect so.

1760. And the weight would be greater than what you would take outwards?—I think so.

1761. Therefore you would be paid 35,000 *l.* for a less weight than you would be paid 12,000 *l.* for?—I should like to make that clear. It must be remembered that my weight outwards at present is only one day's collection, while my weight homewards is two days' collection ; but if a change is made in the sailing, it will be two days' collection instead of one, and that will alter these facts altogether.

1762. If the weight was less homewards, the payment would be less, would it not?—Yes, at the rate of so many cents it would.

1763. In 1866 and 1867, was not your contract with the United States for a weekly service?—No.

1764. It was not so either in the one year or the other?—No, the United States, as I said just now, started at the beginning of the year by stating how many full mails I was to carry, how many full mails the Germans were to carry, and how many full mails the Hamburg-American Company was to carry.

1765. Mr. Graves.] Supposing that you were not under any obligation to carry mails, how would you view the effect of the Post Office placing mails on board your vessels under the ship-letter laws?—My own opinion is that it would be a great oppression. I think it would be wresting an old Act of Parliament to do something that was never contemplated ; that is my impression. I have thought a good deal about the ship-letter law, because at one time I had no mails, and I had to go under it.

1766. Do you think it would be possible to carry out the old ship-letter laws contrary to the wish of the proprietors of a line of vessels?—If they are determined that you shall not have the ship-letter bags carried by them, you will not get them carried, but I do not think that course has ever been adopted.

1767. Sir Massey Lopes.] You said that the United States paid you by a rate of 15 cents, producing 9,000 *l.* for the letters you carried from America, and that you were not satisfied with that?—Yes.

1768. And that you demanded 20 cents instead of 15 cents, which you estimated would produce 12,000 *l.* instead of 9,000 *l.*?—Yes, if it continues.

1769. Supposing you had no subsidy from the Government on this side, should you be able to take those letters on the same terms homewards, or would the cessation of the subsidy make any difference to you?—No, I think we should treat those letters precisely as we do now ; it would not make any difference to us.

1770. The two things are perfectly independent of each other?—Yes.

1771. Then it does not follow that because you are carrying the mails under a certain contract with the British Government that you are carrying the mails for the United States Government any cheaper than you would if you had no contract with the British Government?—No.

Frank Ives Scudamore, Esq. ; further Examined.

1772. Chairman.] I BELIEVE you have some papers to produce?—The Committee asked me yesterday to let them have the same Return as to the course of post from London to New York in March and August, as I had given in with regard to other towns, and you told me, in stating the course of post to take as the hours of posting for Southampton, the latest period up to which the letters can be posted on the morning of the day on which the mail goes. I have done that, and I have brought the Return (*producing the same*). I am surprised to find that even then the average is 20 hours in favour of Queenstown. Yesterday, when you questioned me, I was inclined to think that the average would be in favour of Southampton, but the Return shows that it is 20 hours

*F. I. Scudamore,
 Esq.*

F. I. Scudamore, Esq. in favour of Queenstown. I will hand in these papers. (*The same were handed in.*)

20 March 1869.

Vide Appendix.

George Chetwynd, Esq. ; Examined.

G. Chetwynd, Esq. 1773. *Chairman.*] WHAT office do you hold at the Post Office?—That of Receiver and Accountant General.

1774. I suppose your calculations, in all probability, to a great extent, were the basis for the negotiations which took place about the contracts entered into in 1867 and 1868?—I have no doubt they were so.

1775. Were you the person who estimated the increase of postage that was likely to take place from the lowering of the rate from 1 *s.* to 6 *d.*?—I do not remember that calculation.

1776. There was an estimate made, and I find that these words were used with respect to it: “I should be much surprised if the correspondence does not speedily increase to the extent of 50 per cent., but I will estimate the probable increase, in the first instance, at 33 per cent. only.” Would it be on your calculations that that estimate was made?—I think not.

1777. Are you answerable for this estimate of the earnings that the Cunard Company would make on their contract for the services of 1868?—Yes.

1778. You calculated, then, that they would earn 43,548 *l.* on the sea-postage rates?—May I be permitted to ask whether you are now alluding to the letter of the Duke of Montrose?

1779. Yes?—Those are not my calculations; I have very little doubt that they were framed upon information obtained from my office, but I was not in town at the time.

1780. You will find that the estimate was made that the service which the Cunard Company would undertake in that year, would be worth 90,171 *l.*?—I remember the computation; I have read the paper.

1781. Do you know what the actual earnings, at the sea-postage rates of the Cunard Company, were during the year 1868, out of the whole amount?—I can give a statement of them now.

1782. What was the outward postage which the Cunard steamers earned?—I have a statement now in my hands, “An Estimate of the Sea Postage and Gross Postage of Correspondence carried in 1868 by the Cunard Packets Outwards, and the Sea Postage on Homeward Mails, at the Rates mentioned.” I show by this, that the sea postage on the outward Cunard service amounted to 34,924 *l.*

1783. That is for the outward postage only?—Yes; that is to say, taking the sea rate only.

1784. Computed at 1 *s.* an ounce for letters, and 3 *d.* per pound for papers?—It is computed at 4 *d.* per single rated letter.

1785. That is not computed at the rates of 1 *s.* an ounce for letters;—No; this is at 4 *d.* per single rated letter.

1786. The estimate on which the Duke of Montrose based his contract, was at 1 *s.* an ounce; here there are a certain number of letters, and a certain number of ounces at 1 *s.* per ounce?—I think I have it by the ounce as well; the outward sea postage amounted to 34,924 *l.*

1787. What was the homeward postage?—The homeward postage at 4 *d.* per rate for letters and 3 *d.* per pound for papers, was 26,102 *l.*

1788. Was that the money received?—No; that is at those rates, reckoning at the rate of 4 *d.* per single rated letter and 3 *d.* per pound for papers. If we had been paid those rates we should have received 26,102 *l.*, but we were not paid those rates.

1789. What were you paid?—Up to the present time we have only received three quarters' payments, but assuming that the fourth quarter would be on the average of the others, which is probably below the amount we shall receive, it would be, 9,490 *l.* only.

1790. In a later letter an estimate was made, that there would be a loss of 15,000 *l.* on account of the United States paying less than the sea postage for the conveyance of the homeward mails?—Perhaps it would be as well to take what I have here; it may save the time of the Committee. This is “An Estimate of the Sea Postage and Gross Postage of Correspondence carried in 1868

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by the Cunard Packets Outwards, and the Sea Postage on Homeward mails, at the rates mentioned." I have a return outwards of sea rate at 4*d.*, and papers at 1*d.* each, and books at 1½*d.*; that is to say, papers and books at half the gross postage which is ordinarily reckoned as the sea rate. Computing at those rates, the sea postage of the outward mails comes to 34,924*l.*

1791. Mr. *Hamilton.*] Is that taken by the Cunard packets?—Taken by the Cunard packets; taking them at the sea rate and the British Inland rate combined, I bring out the sea and British rates together as 44,963*l.*

1792. *Chairman.*] That is giving them the whole?—This is first the sea rate, and next the British inland and sea rate combined, and in the following column I have taken the gross rate.

1793. Mr. *Seely.*] You take them at 4*d.*, 5*d.*, and 6*d.*?—I take 4*d.*, 5*d.*, and 6*d.* for letters; I take 1*d.*, 1½*d.*, and 2*d.* for papers, and I take 1½*d.*, 2*d.*, and 3*d.* for books.

1794. *Chairman.*] What is the third column?—The gross postage outwards, which amounted to 55,169*l.*, and homeward—taking the letters at 4*d.* per single rated letter, and taking the papers of all kinds at 3*d.* per pound—the sea postage was 26,102*l.*; adding the sea postage outwards and homewards together, brings out a total of 61,026*l.*: from that, however, I must deduct 16,612*l.*, loss or difference between the postage at the rates I have named upon the homeward voyages, and the amount we have actually received or expect to receive through Messrs. Cunard for the carriage of the homeward mails; so that the result is about 44,414*l.*, that being the sea postage on the Cunard steamers out and home for the year; the cost of the packets during the year was 80,000*l.*, out and home; the difference or loss therefore was 35,586*l.*; if we use the sea postage only as a measure of the loss.

1795. And that you may calculate as the terms upon which Messrs. Inman contracted, using the sea postage only of 1*s.* an ounce?—No, there is a little difference; the sea rate is 4*d.* per single rated letter; a shilling an ounce assumes roughly that there are three letters to the ounce, but practically there are rather more than three, about three and a third; the loss at 1*s.* an ounce would be rather greater; the result of applying the sea postage to the Cunard packets out and home is to show a loss of 35,586*l.*; taking the sea rate and the British inland rate together, and deducting them from the 80,000*l.* paid to the Cunard Company, the loss would be 25,547*l.*; deducting the gross postage from the contract payment to Messrs. Cunard, the loss would be 15,341*l.*

1796. Have you also there what the Inman Company earned under their contract of 1868?—Yes; the Inman Company earned 22,774*l.*

1797. And the North German Lloyd's?—The North German Lloyd's earned 11,710*l.*

1798. Then there was something that the Bremen Company earned?—The Hamburg-American Company earned 5,154*l.*

1799. Then how do you get your estimate of 112,000*l.* applicable to the postage to meet these three contracts of 105,000*l.* It was estimated that these contracts, under the present terms, are to be self-supporting; in fact, there was an estimate for postage of 112,000*l.* to meet the payments of 105,000*l.*?—That was the gross postage. Mr. Scudamore put in an estimate yesterday of the gross postage; I have got a copy of it in my hand; I will read it; it is very short; it is 113,979*l.* I may just make one further observation, and that is, that the gross postage homewards and the gross postage outwards are assumed to correspond for the year, but seeing that we equally divide the postage on international letters with the United States, and seeing that the United States mails homewards are heavier than the outward mails, we gain something by that. We divide all the postage with them, and the homeward mail is rather heavier than the outward. I have got in my hand an estimate showing the probable division of postage for the year. I beg that it may be understood that these are not actual statements made from accounts, they are estimates based on the best materials we can get at the present time in the absence of the accounts themselves, which are incomplete. This is an estimate of the gross postage derived by the United Kingdom under the convention with the United States during the year 1868. I have divided it into outwards and homewards, I have shown the gross postage collected, and the British share of that postage, and whereas in the statement Mr. Scudamore put in yesterday, the gross postage was shown at 113,979*l.*, assuming that we took for our share the outward mail only, this

G. Chetwynd, Esq.

20 March 1869.

estimate of an equal division of the international and transit correspondence shows the British share of the gross postage to be 123,717 *l.*

1800. Then that raises your estimate?—Yes, the fact is we get rather more from the United States than they get from us. The United States mail home-wards is about 1-6th heavier, so far as letters are concerned, than the outward mail, and as we divide the postage with the States, we get rather more than we should get if we took the outward mail as our share.

1801. You include the postage received for the German lines as well as the others?—This includes everything.

1802. And therefore the whole of that would not be applicable to the three contracts from Liverpool?—The whole of this would be applicable, if it were thought proper, to the whole of the contracts.

1803. But supposing it were not thought proper to have a contract with the German line?—The postage, I take it, will be much the same whether we have the contract with the German line or not.

1804. Do you mean that there would be as many letters coming with a three-days a week post as with a four?—I think it is highly probable.

1805. Mr. *Seely*.] What was our half of the postage?—Our share of the postage out and home will be 123,717 *l.*

1806. What is the postage to America now out of that 123,717 *l.*?—I will look for that figure.

1807. Ours is 113,000 *l.*, is not it, according to the estimate?—Roughly, the outward correspondence may be taken as being 114,000 *l.*

1808. And how much is it inwards?—I have not got it in that shape; the estimate will not enable me to give it to you quite like that.

1809. There must be therefore a very much larger postage from than to the United States?—It is about one-sixth more from the United States; I speak of letters.

1810. Have you then charged 6 *d.* a letter from the United States in your calculation?—I take the gross postage both ways, because we divide it thus: if we send a letter from England to the United States the postage is 6 *d.*; of that 6 *d.* we have to give the United States credit for 3 *d.* If the United States sent us a letter on which the postage is 6 *d.*, they have to credit us with 3 *d.* If there were only one letter going from here we ought to send them 3 *d.*, but as America sends to England a great many letters on which we have a claim against them of 3 *d.* each, they would credit us with the 3 *d.* on their side, and we should credit them with the 3 *d.* on our side. We do not exchange the threepences.

1811. Mr. *Hamilton*.] A statement is sent in, bearing your signature, which does not quite correspond with what you have stated; will you look at that statement, and see whether you recognise it (*handing a paper to the Witness*)?—Yes, this was mine, made on the 19th January.

1812. These figures do not correspond with those you have given us to-day?—No, because these were all we knew at the time; the accounts have been collected since that time.

1813. It does not state that that is an estimate, does it?—This statement is dated the 19th of January; that would be before the accounts could be made up.

1814. It is called, "Return showing the Total Amount of Sea Postage on Correspondence despatched to the United States in each Quarter of the Year by Messrs. Cunard, showing also the Sums received"; this is not an estimate, it is a statement of things actually received; a computation made up on the 1st of January ought not to differ from one made up on the 21st of March?—It could not be anything else but an estimate.

1815. It is not so stated here?—No.

1816. It was nothing but an estimate, in fact, then?—No, it was nothing but an estimate; that shows the rates at which the computations were made.

1817. It may be that, in these figures you have given us, you have taken three and a third letters to the ounce?—No, I have taken the rates I have stated, namely, 1 *s.* an ounce.

1818. Taking it at 1 *s.* an ounce would not affect the question of the discrepancy at all?—No, these are taken at 1 *s.* an ounce.

1819. And those you have given are taken at 1 *s.* an ounce?—These which I have just given are taken both ways.

1820. The figures you have just read to the Committee are figures resulting from

191
421

from a computation at 4 *d.* a letter?—I have got it both ways on the same paper, 4 *d.* a letter and 1 *s.* an ounce. *G. Chetwynd, Esq.*

1821. *Chairman.*] These papers you have been reading from, you will put in to be printed in the Appendix?—Yes, I will put them in. (*The same were handed in.*) *20 March 1869*

Vide Appendix.

1822. *Mr. Hamilton.*] Can you explain the discrepancy to which I have called your attention?—The Return you have before you, made in January last, showed Mr. Inman's earnings to be 23,390 *l.*; subsequent corrections have brought them down to 22,774 *l.*; I think it is also stated on the January Return that part of it is based on an estimate. Permit me to look at that Return. (*The January Return was handed to the Witness.*) It says, "The accounts for this quarter are partly the result of estimates."

1823. Where is that?—That is at the bottom; it is the last quarter; of course on the 19th January we could not have had all the Returns up to the 31st of December; it was not possible.

1824. Then that will be the explanation?—Yes; I admit at once that that ought to have been headed an estimate.

1825. *Mr. Inman* when he was here stated that the receipts of his company were only 22,000 *l.*; what is the explanation of that discrepancy?—I have got the sea postage as 22,775 *l.*; if you desire it I can show you what the difference is between the postage computed at the ounce, and the postage collected; I do not mean to say that this is actual, but it is the best estimate we can frame, assuming that there are three and a third letters to the ounce.

1826. Have you ever made any calculation of what the actual cost to the Post Office is upon these inward mails. The service rendered is less than is rendered in the case of an inland letter, because there is no cost of distribution to the individual?—I think not, but I am not sure that I catch the idea.

1827. The cost of an inland letter is 1 *d.*, which covers the expense of receipt and individual distribution?—Yes.

1828. You take 1 *d.* off the gross postage, in order to get the sea postage?—Yes.

1829. But it is quite clear that that 1 *d.* does not represent all the services which are conferred by the Post Office in the case of an inland letter, because there is no individual distribution. Have you ever been asked to make a calculation of what the actual cost at the Post Office is per letter upon those which are sent seawards?—I do not think I ever have been asked to do it. I quite understand your question, but I do not remember having been asked to make such a calculation, and I do not remember having made such a calculation.

1830. If we take the gross postage, it is quite clear that the Post Office will be rendering service without remuneration?—Quite so.

1831. Therefore I want to arrive, if possible, at the actual amounts out of pocket in the case of those sea-borne letters?—I may answer you generally in this way: supposing the United States were submerged, and there was no such thing as a postal route to the United States, I very much doubt whether the inland post office could save anything of its cost by that fact; it would save all these subsidies of course, but it could not reduce a single postmaster; it could not reduce its establishment of clerks, except perhaps one or two at Liverpool; it could not reduce its letter carriers, because they are so spread all over the country that you could not make any reduction in them in consequence of the abolition of the American mails; it would make no difference, or but a very slight one.

Mr. Scudamore.] I can give the Committee one piece of information with regard to the cost of an inland letter.

1832. *Mr. Hamilton.*] Including personal distribution?—Yes, we have made calculations from time to time of the average cost of collecting, transmitting, and distributing an inland letter, and we believe it to be about $\frac{3}{4}$ *d.* as near as possible.

Mr. Chetwynd.] There certainly are some special items of cost in regard to the American letters; for instance, we have special trains through Ireland to carry the letters to Queenstown and bring them from Queenstown, and we should save those, no doubt, if the letters did not go; but those are very trifling expenses compared with the whole cost of distribution.

G. Chetwynd, Esq.

20 March 1869.

1833. Sir *Massey Lopes*.] You are the head of the office, the Receiver and Accountant General, are you not?—Yes.

1834. How is it that we have two estimates here before us; one which has been alluded to by the Honourable Member for Salisbury, and the other one which you have brought before the Committee; has that estimate which has been brought before the Committee just now emanated from you?—May I ask if you mean the printed estimate?

1835. I mean the one which the Honourable Member opposite has just alluded to; where did that estimate come from; did it come from the same office, and are you responsible for both these estimates?—Yes, clearly, if you allude to the printed estimate.

1836. Do we rightly understand that your estimate for the whole of the amount received from postage is about 123,000 *l.*, and that we are now paying under contract 105,000 *l.*?—The cost of the contracts is 105,000 *l.*; I have two estimates before me of the result of the postage; one framed upon the supposition that the outward and homeward mails are of like value, which is not quite the fact, and is rather unfavourable to us; the other framed upon the best distribution we could make of the postage collected in the United States, giving us one-half, and we giving the United States one-half of what we collect.

1837. That division of postage amounts to 123,000 *l.*, does it?—The division of the postage amounts to 123,717 *l.* for our share; the gross amount of outward postage, according to the estimate which Mr. Scudamore put in yesterday, was 113,000 *l.*

1838. And you are not in that estimate taking the benefit of the additional one-sixth which you say may be considered as derivable from the homeward postage over and above the outward?—Yes; that is part of the 123,000 *l.*; that is one principal cause of the difference.

1839. Mr. *Greaves*.] There are no establishment charges included?—No, these are mere calculations of the postage; the computation of the establishment is not included at all in them.

1840. Sir *Massey Lopes*.] Can you give us any idea as to whether these postal receipts are likely to increase in the course of two or three years?—I think it is highly probable that they will, judging from the past. I have an estimate here showing what the increases have been. I have not checked this, so that I am not supposed to put it in; but you may take it for what it is worth. I have every reason to believe that it is accurate; but I have not checked it myself, and I am not sure about it. You can take it now, and I can have it checked if the Committee think it proper.

1841. It has been made up in your office?—Yes, and very carefully made up; I have no reason to doubt its accuracy in any way.

1842. Give us the result of it, if you please?—The increase in 1868 over 1863 was 98 per cent.; the annual average increase was more than 19 per cent.

1843. Mr. *Greaves*.] Out and home?—Yes, out and home, both ways.

1844. *Chairman*.] Was not 1863 the height of the American war; it is of no use having illusory figures put down?—It did not strike me that it was so; we happened to have a Return for 1863. We used to take Returns as we required them; I now have Returns of 1863, 1865, 1866, 1867, and 1868; I can give the results of each.

1845. Give them in that way, because it is quite illusory to take a time when the South was completely closed?—I proposed to give you the annual average increase.

1846. That is far better?—The annual average increase over the years I have mentioned was rather over 19 per cent., out and home.

1847. Will you give us the increase from 1863 to 1864, and from 1864 to 1865, and so on, giving the increase year by year, then we shall be able to judge for ourselves?—I can give you the figures roundly, if you will permit me: in 1863, the estimated number of international letters, out and home, was 2,461,000; in 1865, 3,367,000, showing an increase in 1865 over 1863, of rather over 36 per cent.; in 1866, the number was 4,066,000, the increase over the previous year being rather over 20 per cent.; in 1867, the number was 3,916,000, a decrease of rather over three per cent.; three and seven-tenths, in fact; in 1868, the number was 4,875,000, and the increase of 1868 over 1867 was 24½ per cent., or I will say rather better than 24 per cent., as I am giving them in round numbers.

1848. Mr.

423

1848. Mr. *Seely*.] Did not the reduction of postage commence on the 1st of January 1868?—Yes. G. *Chetwynd*, Esq.

1849. It was 6 *d.* for 1868, and 1 *s.* for 1867?—It was. 20 March 1869.

1850. Sir *Massey Lopes*.] Can you account for the amount being smaller in 1867 than in 1866; was there any reason?—I am not aware of the cause; in fact, I have not had time to go into this at all. There was a decrease in 1867 compared with 1866, undoubtedly.

1851. Mr. *Seely*.] In this gross estimate we must bear in mind that there is 2 *d.*, 1 *d.* which goes to the United States, and 1 *d.* to this country for the inland postage?—Yes, in the gross there is.

1852. And, therefore, if you deduct one-third from the 113,979 *l.* which Mr. Scudamore has estimated it at, it would only leave 75,986 *l.* for the sea postage proper?—Somewhere thereabouts; I can give you the amount collected, if you like: 80,719 *l.* was the amount collected; that is to say, that is the estimated amount collected for sea postage on the outward mail.

A P P E N D I X.

A P P E N D I X.

LIST OF APPENDIX.

Appendix, No. 1.

| | |
|--|------|
| Papers handed in by Mr. Pearson Hill, 17 March 1869 : | PAGE |
| (A.)—Statement showing Performances of the Steamers conveying the Mails to America, since 1 January 1869 - - - - - | 147 |
| (B.)—Return showing the Time occupied in the Voyages from Southampton and Queenstown to New York and Boston by different Lines of Mail Packets since the beginning of 1869; taking the Time of Arrival as stated in the "Times" Newspaper - - - | 148 |
| (C.)—Return showing the Total Amount of Sea Postage on Correspondence dispatched to the United States during each Quarter of the Year 1868, by the Cunard, Inman, North-German Lloyd, and Hamburgh-American Lines of Packets, respectively; showing, also, the Sums received by Messrs. Cunard, up to the present Date, for conveyance of the Homeward Mails - - - - - | 149 |

Appendix, No. 2.

| | |
|--|-----|
| Papers handed in by Mr. Andrew Duncan, 17 March 1869 : | |
| Passages of Mail Steamers - - - - - | 150 |
| Cunard's Four Fastest Steamers against Hamburg Company's Four Fastest Steamers - | 151 |

Appendix, No. 3.

| | |
|---|-----|
| Papers handed in by Mr. Scudamore, 19 March 1869 : | |
| Return showing the Course of Post from Manchester, Bristol, Hull, Glasgow, Cork, Belfast, Limerick, and Waterford, to New York, <i>via</i> Queenstown, and <i>via</i> Southampton, in the Months of March and August 1868 : | |
| Summary - - - - - | 152 |
| Manchester - - - - - | 153 |
| Bristol - - - - - | 154 |
| Hull - - - - - | 155 |
| Glasgow - - - - - | 156 |
| Cork - - - - - | 157 |
| Belfast - - - - - | 158 |
| Limerick - - - - - | 159 |
| Waterford - - - - - | 160 |
| London - - - - - | 161 |
| Return showing the Total Weight of Letters, Newspapers, and Book Packets, &c., contained in 52 Mails from Queenstown, and in 52 Mails from Southampton, conveyed to New York by the North American Packets during the Six Months ended 30th September 1868 - - - - - | 162 |
| Return showing the Weight of Letters, Newspapers, and Book Packets, &c., for the United States, and for Countries in Transit through the United States, contained in 52 Mails from Queenstown, and in 52 Mails from Southampton, conveyed to New York by the North American Packets during the Six Months ended 30th September 1868 - - - - - | 162 |
| Estimate of the Gross Postage on Outward Correspondence carried to North America by the Contract Packets in 1868 - - - - - | 162 |

Low
42

Appendix, No. 3—*continued.*

Papers handed in by Mr. Scudamore, 19 March 1869—*continued.* PAGE

Return showing the Performances of Steamers conveying Mails to New York in the Year 1868; and showing the several Mails despatched from New York to the United Kingdom by Mail Packet during the Year 1868 :

| | |
|--|---------|
| Performances of Steamers conveying Mails to New York in January 1868 | - - 163 |
| Performances of Steamers conveying Mails to New York in February 1868 | - - 164 |
| Performances of Steamers conveying Mails to New York in March 1868 | - - 165 |
| Performances of Steamers conveying Mails to New York in April 1868 | - - 166 |
| Performances of Steamers conveying Mails to New York in May 1868 | - - 167 |
| Performances of Steamers conveying Mails to New York in June 1868 | - - 168 |
| Performances of Steamers conveying Mails to New York in July 1868 | - - 169 |
| Performances of Steamers conveying Mails to New York in August 1868 | - - 170 |
| Performances of Steamers conveying Mails to New York in September 1868 | - 171 |
| Performances of Steamers conveying Mails to New York in October 1868 | - - 172 |
| Performances of Steamers conveying Mails to New York in November 1868 | - 173 |
| Performances of Steamers conveying Mails to New York in December 1868 | - 174 |

Statement showing the several Mails despatched from New York to the United Kingdom by Mail Packet during the Month of January 1868, the Period of Arrival in this Country, and the Time at which the Letters contained in such Mails were delivered in London, Liverpool, Manchester, Glasgow, and Belfast :

| | |
|-----------|---------------|
| January | - - - - - 175 |
| February | - - - - - 176 |
| March | - - - - - 177 |
| April | - - - - - 178 |
| May | - - - - - 179 |
| June | - - - - - 180 |
| July | - - - - - 181 |
| August | - - - - - 182 |
| September | - - - - - 183 |
| October | - - - - - 184 |
| November | - - - - - 185 |
| December | - - - - - 186 |

Average Length of the Voyages performed by the several Lines of Contract Steamers conveying the American Mails in 1868 - - - - - 187

Statement showing the Time of Arrival of the Outward Cunard Packets at Queenstown, and the Time of Arrival of the Mails, and of their Embarkation, in 1868 - - - - 187

Statement showing the Time of Arrival of the Outward Inman Packets at Queenstown, and the Time of Arrival of the Mails, and of their Embarkation, in 1868 - - 189

Return of the Number of Sacks of Mails conveyed by the North German Lloyd from Southampton on Tuesday, and by Cunard's Boats from Queenstown on Wednesday, in the Year 1868 - - - - - 190

Statement showing the Average Length of the Voyages performed by the several Lines of Contract Steamers conveying the American Mails in 1868 - - - - - 190

Appendix, No. 4.

Papers handed in by Mr. Chetwynd, 20 March 1869 :

Estimate of the Sea Postage and Gross Postage of Correspondence carried in 1868 by the Cunard Packets Outwards, and the Sea Postage on Homeward Mails, at the Rates mentioned - - - - - 191

Return showing the Amount of Sea Postage paid to the Contractors on Correspondence despatched to the United States during each Quarter of the Year 1868, by the Inman, North German Lloyd, and Hamburg-American Lines of Packets, respectively; and the Amount of Sea Postage, computed at the same Rates, applicable to the Cunard Packets, Outwards and Homewards; showing also the Sums received from Messrs. Cunard, up to the present Date, for Conveyance of Homeward Mails - - - - 192

Estimate of the Gross Postage derived by the United Kingdom under the Convention with the United States, during the Year 1868 - - - - - 193

Appendix, No. 5.

| | PAGE |
|---|------|
| Statement showing the Total Estimated Number of International Letters sent to and received from the United States during the Years 1863, 1865, 1866, 1867, and 1868 respectively, and the Increase or Decrease per Cent. - - - - - | 194 |
| Statement showing the Estimated Amount of Sea Postage earned by the several Lines of North American Mail Packets on the Outward Voyages during the Year 1868. This Estimate is based on the Supposition that there were 3½ Letters to the Ounce, 7½ Papers to the Pound, and 5½ Book-packets to the Pound - - - - - | 194 |

Appendix, No. 6.

| | |
|--|-----|
| Return showing the Number of Letters posted in London, and in some of the Principal Towns in the Kingdom, on the 19th and 20th of March, for transmission by the Packet sailing from Queenstown to New York, on Sunday, the 21st March - - - - - | 195 |
|--|-----|

Appendix, No. 7.

| | |
|---|-----|
| Return of the Number of Letters for the United States, posted in London after the closing of the Letter Boxes on the Evening of Monday, the 22nd March 1869, and before the closing of the Mails for New York, to be conveyed from Southampton by the Packet of the North German Lloyd on Tuesday, the 23rd March - - - - - | 196 |
|---|-----|

Appendix, No. 8.

| | |
|---|-----|
| An Estimate of the Sea Postage collected upon Correspondence carried to the United States by the Inman, North German Lloyd, and Hamburgh-American Packets, in 1868, computed at the Rates of 3½ Letters to the Ounce, 7½ Papers to the Pound, and 5½ Books to the Pound; also, of the Amount earned by those Companies at the Rates of 1s. per Ounce for Letters, 3d. per Pound for Papers, and 5d. per Pound for Books; the Penalties incurred; and the Payments actually made for Conveyance of the Mails - - - - - | 196 |
|---|-----|

A P P E N D I X.

Appendix, No. 1.

PAPERS handed in by Mr. Pearson Hill, 17th March 1869.

(A.)

STATEMENT showing Performances of the STEAMERS conveying the MAILS to *America*, since 1st January 1869.

| Name of Steamer. | Line. | Port of Departure. | Date of Departure. | Arrival at | | Length of Passage. |
|-------------------|---------------------|--------------------|--------------------|--------------------|-------------------|----------------------|
| | | | | New York. | Boston. | |
| Cuba - - | Cunard - | Queenstown - | 3 Jan. 5.22 p.m. | 16 Jan. 9.42 a.m. | - - - | D. H. M. 12 16 20 |
| New York - | North German Lloyd. | Southampton | 5 „ 3.45 p.m. | 18 „ 2.0 a.m. | - - - | 12 10 15 |
| Tripoli - - | Cunard - | Queenstown - | 6 „ 5.10 p.m. | - - - | 18 Jan. 6.10 p.m. | 12 1 0 |
| City of Antwerp | Inman - | - ditto - | 7 „ 4.40 p.m. | 18 Jan. 1.30 p.m. | - - - | 10 20 50 |
| Java - - | Cunard - | - ditto - | 10 „ 3.30 p.m. | 20 „ 11.20 a.m. | - - - | 9 19 50 |
| Deutschland - | North German Lloyd. | Southampton | 12 „ 2.30 p.m. | 24 „ 11.25 p.m. | - - - | 12 8 55 |
| Palmyra - - | Cunard - | Queenstown - | 13 „ 4.12 p.m. | - - - | 28 Jan. 3.15 p.m. | 14 23 3 |
| City of London - | Inman - | - ditto - | 14 „ 5.0 p.m. | 28 Jan. 6.18 a.m. | - - - | 13 13 18 |
| Australasian - | Cunard - | - ditto - | 17 „ 4.0 p.m. | 29 „ 6.58 a.m. | - - - | 11 14 58 |
| Donau - - | North German Lloyd. | Southampton | 19 „ 3.0 p.m. | 31 „ 11.30 a.m. | - - - | 11 20 30 |
| Hecla - - | Cunard - | Queenstown - | 20 „ 4.25 p.m. | - - - | 5 Feb. 8.30 a.m. | 15 16 5 |
| City of Baltimore | Inman - | - ditto - | 21 „ 4.14 p.m. | * 8 Feb. 2.55 p.m. | - - - | 17 22 41 |
| Russia - - | Cunard - | - ditto - | 24 „ 4.10 p.m. | 5 „ 10.9 a.m. | - - - | 11 17 59 |
| America - - | North German Lloyd. | Southampton | 26 „ 2.30 p.m. | 8 „ 6.25 a.m. | - - - | 12 15 55 |
| Siberia - - | Cunard - | Queenstown - | 27 „ 5.0 p.m. | - - - | 8 Feb. 10.45 a.m. | 11 17 45 |
| City of Paris - | Inman - | - ditto - | 28 „ 5.0 p.m. | 8 Feb. 6.30 a.m. | - - - | 10 13 30 |
| China - - | Cunard - | - ditto - | 31 „ 11.30 p.m. | 11 „ 6.45 p.m. | - - - | 10 19 15 |
| Bremen - - | North German Lloyd. | Southampton | 2 Feb. 3.45 p.m. | 15 „ 10.0 p.m. | - - - | 13 6 15 |
| Aleppo - - | Cunard - | Queenstown - | 3 „ 4.50 p.m. | - - - | 16 Feb. 3.20 p.m. | 12 22 30 |
| City of New York | Inman - | - ditto - | 4 „ 5.55 p.m. | 16 Feb. 11.35 p.m. | - - - | 12 5 40 |
| Cuba - - | Cunard - | - ditto - | 8 „ 11.21 a.m. | 22 „ 9.0 a.m. | - - - | 13 21 39 |

* Put into Halifax short of coal.

(B.)

RETURN showing the Time occupied in the VOYAGES from *Southampton* and *Queenstown* to *New York* and *Boston* by different Lines of MAIL PACKETS since the beginning of 1869; taking the Time of Arrival as stated in the "Times" Newspaper.

| | Name of Vessel. | Left Port of Departure. | Reached United States. | Time Occupied in Voyage. |
|------------------------|---------------------------|-------------------------|-----------------------------|--------------------------|
| | | (About 4 p.m.) | | <i>Days.</i> |
| Cunard (Sunday) - - | Cuba - - - - | Q. 3 Jan. 1869 | New York, 16 Jan., 6 a.m. - | 12 $\frac{1}{2}$ |
| North German Lloyd - - | - - - - | S. 5 " " | " 18 " 2 a.m. - | 12 $\frac{1}{2}$ |
| Cunard (Wednesday) - - | Tripoli - - - - | Q. 6 " " | Boston - 18 " 5 p.m. - | 12 |
| Inman - - - - | City of Antwerp - - - - | Q. 7 " " | New York 18 " 1 p.m. - | 11 |
| Hamburg-American * - - | - - - - | S. 8 " " | " 20 " 2 a.m. - | 11 $\frac{1}{2}$ |
| Cunard (Sunday) - - | Java - - - - | Q. 10 " " | " 20 " 10 a.m. - | 9 $\frac{1}{2}$ |
| North German Lloyd - - | Deutschland - - - - | S. 12 " " | " 24 " 10 p.m. - | 12 $\frac{1}{2}$ |
| Cunard (Wednesday) - - | Palmyra - - - - | Q. 13 " " | Boston - 28 " noon - | 15 |
| Inman - - - - | City of London - - - - | Q. 14 " " | New York 28 " 6 a.m. - | 13 $\frac{1}{2}$ |
| Hamburg-American - - | - - - - | S. 15 " " | " 28 " 2 p.m. - | 13 |
| Cunard (Saturday) - - | Australasia - - - - | Q. 17 " " | " 29 " - - | 12 |
| North German Lloyd - - | Donau - - - - | S. 19 " " | " 31 " 11 a.m. - | 11 $\frac{1}{2}$ |
| Cunard (Wednesday) - - | Hecla - - - - | Q. 20 " " | Boston - 5 Feb. 8.30 a.m. - | 16 |
| Inman - - - - | City of Baltimore - - - - | Q. 21 " " | New York 8 " - - | 18 |
| Hamburg-American - - | - - - - | S. 22 " " | " 5 " 2 a.m. - | 13 $\frac{1}{2}$ |
| Cunard (Saturday) - - | Russia - - - - | Q. 24 " " | " 5 " 7 p.m. - | 12 |
| North German Lloyd - - | America - - - - | S. 26 " " | " 8 " 5 a.m. - | 12 $\frac{1}{2}$ |
| Cunard (Wednesday) - - | Siberia - - - - | Q. 27 " " | Boston - 8 " 8 a.m. - | 11 $\frac{1}{2}$ |
| Inman - - - - | City of Paris - - - - | Q. 28 " " | New York 8 " 7 a.m. - | 10 |
| Hamburg-American - - | - - - - | S. 29 " " | " 10 " 7 a.m. - | 11 $\frac{1}{2}$ |
| Cunard (Saturday) - - | China - - - - | Q. 31 " " | " 11 " 4 p.m. - | 11 |
| North German Lloyd - - | Bremen - - - - | S. 2 Feb. " " | " 15 " 9 p.m. - | 13 $\frac{1}{2}$ |
| Cunard (Wednesday) - - | Aleppo - - - - | Q. 3 " " | Boston - 16 " 11 a.m. - | 12 $\frac{1}{2}$ |
| Inman - - - - | City of New York - - - - | Q. 4 " " | New York 16 " 11 p.m. - | 12 $\frac{1}{2}$ |
| Hamburg-American - - | - - - - | S. 5 " " | " 21 " - - | 16 |
| Cunard (Saturday) - - | Cuba - - - - | Q. 8 " " | " 22 " - - | 14 |
| North German Lloyd - - | Main - - - - | S. 9 " " | " 22 " 4 p.m. - | 13 |
| Cunard (Wednesday) - - | Tarifa - - - - | Q. 10 " " | Boston - 24 " 3 p.m. - | 14 |
| Inman - - - - | City of Antwerp - - - - | Q. 11 " " | New York, 24 " 11 a.m. - | 12 $\frac{3}{4}$ |
| Cunard (Sunday) - - | Samaria † - - - - | Q. 14 " " | " 27 " 1 p.m. - | 12 $\frac{3}{4}$ |
| North German Lloyd - - | Weser - - - - | S. 16 " " | " 28 " 6 a.m. - | 11 $\frac{1}{2}$ |
| Cunard (Wednesday) - - | Java † - - - - | Q. 17 " " | Boston - 27 " 8 a.m. - | 9 $\frac{1}{2}$ |
| Inman - - - - | City of London - - - - | Q. 18 " " | New York, 2 Mar. 7 a.m. - | 11 $\frac{1}{2}$ |
| Cunard (Sunday) - - | Australasian - - - - | Q. 21 " " | " 3 " 11 p.m. - | 10 $\frac{1}{2}$ |
| North German Lloyd - - | New York - - - - | S. 23 " " | " 9 " 11 a.m. - | 13 $\frac{1}{2}$ |
| Cunard (Wednesday) - - | Tripoli - - - - | Q. 24 " " | Boston 10 " - - | 14 |
| Inman - - - - | City of Brooklyn - - - - | Q. 25 Feb. " " | New York, 10 " - - | 13 |

* The Hamburg American Company's vessels now touch at Havre instead of Southampton; but in the above table the time at which, if carrying the English mails, they would have called at Southampton has been inserted.

† These two vessels were transposed, the slow vessel being placed on the Sunday line, and the quick vessel on the Wednesday. See Postal Circular, 8th and 15th February.

(C.)

RETURN showing the Total Amount of SEA POSTAGE* on CORRESPONDENCE despatched to the UNITED STATES during each Quarter of the Year 1868, by the CUNARD, INMAN, NORTH-GERMAN LLOYD, and HAMBURGH-AMERICAN LINES of PACKETS, respectively; showing also, the SUMS received by Messrs. *Cunard*, up to the present Date, for conveyance of the HOMEWARD MAILS.

| Quarter ended | LINE OF PACKETS. | | | | |
|----------------------|------------------|-----------|--------|---------------------|--------------------|
| | Cunard. | | Inman. | North German Lloyd. | Hamburgh-American. |
| | Outward. | Homeward. | | | |
| | £. | £. | £. | £. | £. |
| 31 March 1868 - | 7,418 | 3,074 | 6,161 | 2,967 | 986 |
| 30 June 1868 - - | 6,887 | 1,840 | 5,771 | 2,777 | 1,704 |
| 30 September 1868 - | 6,712 | 2,204 | 5,549 | 2,808 | 1,745 |
| 31 December 1868 † - | 7,669 | - - | 5,909 | 3,220 | 773 ‡ |
| TOTAL - - - £. | 28,686 | - - | 23,390 | 11,772 | 5,157 |

* Computed at 1 s. per oz. for letters; 3 d. per lb. for papers; 5 d. per lb. for books.

† The amounts for this quarter are partly the result of estimates. The particulars of the closed mails forwarded in transit through the United Kingdom during the month of December have not yet been received from the United States Post Office.

‡ The contract with this company terminated on the 31st October 1868.

19 January 1869.

Geo. Chetwynd,
Receiver and Accountant General.

Appendix, No. 2.

Appendix, No. 2.

PAPERS handed in by Mr. *Andrew Duncan*, 17 March 1869.

PASSAGES OF MAIL STEAMERS.

| | L I N E. | Actual Length of Passage from Queenstown and Southampton respectively to New York. | | | Passage calculated for all the Steamers from Queenstown. | | |
|---------------|-----------------|---|------|-------|---|------|-------|
| | | Days. | hrs. | mins. | Days. | hrs. | mins. |
| 1868 : | | | | | | | |
| January - - | Cunard - - - - | 11 | 10 | 22 | 11 | 10 | 22 |
| | Inman - - - - | 11 | 20 | 48 | 11 | 20 | 48 |
| | Hamburg - - - - | 12 | 8 | 7 | 11 | 10 | 7 |
| | Bremen - - - - | 12 | 20 | 0 | 11 | 22 | 0 |
| February - - | Cunard - - - - | 11 | 2 | 37 | 11 | 2 | 37 |
| | Inman - - - - | 11 | 22 | 22 | 11 | 22 | 22 |
| | Hamburg - - - - | 9 | 14 | 0 | 8 | 16 | 0 |
| | Bremen - - - - | 12 | 12 | 52 | 11 | 14 | 52 |
| March - - - | Cunard - - - - | 11 | 4 | 28 | 11 | 4 | 28 |
| | Inman - - - - | 11 | 22 | 16 | 11 | 22 | 16 |
| | Hamburg - - - - | 12 | 4 | 45 | 11 | 6 | 45 |
| | Bremen - - - - | 12 | 17 | 16 | 11 | 19 | 16 |
| April - - - | Cunard - - - - | 10 | 20 | 12 | 10 | 20 | 12 |
| | Inman - - - - | 11 | 7 | 47 | 11 | 7 | 47 |
| | Hamburg - - - - | 13 | 8 | 30 | 12 | 10 | 30 |
| | Bremen - - - - | 11 | 17 | 48 | 10 | 19 | 48 |
| May - - - - | Cunard - - - - | 9 | 10 | 55 | 9 | 10 | 55 |
| | Inman - - - - | 10 | 11 | 0 | 10 | 11 | 0 |
| | Hamburg - - - - | 11 | 17 | 54 | 10 | 19 | 54 |
| | Bremen - - - - | 11 | 15 | 41 | 10 | 17 | 41 |
| June - - - - | Cunard - - - - | 9 | 5 | 30 | 9 | 5 | 30 |
| | Inman - - - - | 9 | 16 | 22 | 9 | 16 | 22 |
| | Hamburg - - - - | 10 | 12 | 18 | 9 | 14 | 18 |
| | Bremen - - - - | 10 | 20 | 6 | 9 | 22 | 6 |
| July - - - - | Cunard - - - - | 9 | 0 | 48 | 9 | 0 | 48 |
| | Inman - - - - | 9 | 13 | 46 | 9 | 13 | 46 |
| | Hamburg - - - - | 10 | 7 | 42 | 9 | 9 | 42 |
| | Bremen - - - - | 10 | 14 | 18 | 9 | 16 | 18 |
| August - - - | Cunard - - - - | 9 | 4 | 33 | 9 | 4 | 33 |
| | Inman - - - - | 10 | 2 | 27 | 10 | 2 | 27 |
| | Hamburg - - - - | 11 | 12 | 15 | 10 | 14 | 15 |
| | Bremen - - - - | 11 | 17 | 22 | 10 | 19 | 22 |
| September - - | Cunard - - - - | 8 | 14 | 45 | 8 | 14 | 45 |
| | Inman - - - - | 9 | 9 | 33 | 9 | 9 | 33 |
| | Hamburg - - - - | 9 | 23 | 15 | 9 | 1 | 15 |
| | Bremen - - - - | 10 | 12 | 51 | 9 | 14 | 51 |
| October - - - | Cunard - - - - | 10 | 1 | 37 | 10 | 1 | 37 |
| | Inman - - - - | 10 | 10 | 55 | 10 | 10 | 55 |
| | Hamburg - - - - | 11 | 4 | 30 | 10 | 6 | 30 |
| | Bremen - - - - | 11 | 17 | 37 | 10 | 19 | 37 |
| November - - | Cunard - - - - | 9 | 22 | 54 | 9 | 22 | 54 |
| | Inman - - - - | 10 | 0 | 5 | 10 | 0 | 5 |
| | Hamburg - - - - | 10 | 11 | 0 | 9 | 13 | 0 |
| | Bremen - - - - | 10 | 19 | 30 | 9 | 21 | 30 |
| December - - | Cunard - - - - | 11 | 17 | 30 | 11 | 17 | 30 |
| | Inman - - - - | 13 | 11 | 44 | 13 | 11 | 44 |
| | Hamburg - - - - | 12 | 21 | 30 | 11 | 23 | 30 |
| | Bremen - - - - | 12 | 22 | 57 | 12 | 0 | 57 |

SELECT COMMITTEE ON MAIL CONTRACTS.

L43
151

CUNARD'S FOUR FASTEST STEAMERS against HAMBURG COMPANY'S FOUR FASTEST STEAMERS.

| CUNARD STEAMERS. | | | | HAMBURG COMPANY'S STEAMERS. | | | |
|--|--------|---|------------------------|---|------------|---|------------------------|
| 1868 : | | | <i>Days. hrs. min.</i> | 1868 : | | | <i>Days. hrs. min.</i> |
| January | Russia | - | 9 14 0 | February | Cimbria | - | 9 12 0 |
| | Java | - | 9 19 5 | | | | |
| February | Cuba | - | 9 22 0 | March | Cimbria | - | 10 8 0 |
| | Russia | - | 10 20 0 | | | | |
| March | Java | - | 12 3 0 | April | Hammonia | - | 11 16 0 |
| | Cuba | - | 10 16 0 | | | | |
| April | Russia | - | 11 19 30 | May | Cimbria | - | 10 12 0 |
| | Scotia | - | 9 20 10 | | Hammonia | - | 10 10 0 |
| | Java | - | 10 18 40 | | | | |
| May | Russia | - | 9 4 0 | June | Holsatia | - | 9 17 0 |
| | Scotia | - | 8 13 30 | | Cimbria | - | 10 4 30 |
| | Java | - | 10 7 0 | | | | |
| | Cuba | - | 9 12 0 | July | Hammonia | - | 9 21 30 |
| June | Russia | - | 8 22 30 | | Holsatia | - | 9 7 30 |
| | Scotia | - | 8 17 30 | | Cimbria | - | 10 7 0 |
| July | Cuba | - | 9 2 30 | August | Hammonia | - | 10 7 0 |
| | Java | - | 9 0 30 | | | | |
| | Scotia | - | 8 20 30 | September | Holsatia | - | 9 13 30 |
| August | Russia | - | 8 18 0 | | Cimbria | - | 10 1 30 |
| | Cuba | - | 9 16 30 | | Westphalia | - | 9 6 30 |
| | Java | - | 8 22 30 | | Hammonia | - | 10 15 30 |
| | Scotia | - | 9 17 30 | October | Holsatia | - | 10 7 30 |
| September | Russia | - | 8 11 30 | | Cimbria | - | 11 4 30 |
| | Cuba | - | 8 19 30 | | Westphalia | - | 10 5 0 |
| | Java | - | 8 15 30 | November | Hammonia | - | 11 5 0 |
| October | Scotia | - | 9 23 30 | | Holsatia | - | 9 8 0 |
| | Russia | - | 9 14 0 | December | Cimbria | - | 12 0 0 |
| | Cuba | - | 10 0 30 | | Westphalia | - | 10 23 30 |
| November | Java | - | 9 19 30 | | | | |
| | Scotia | - | 9 6 30 | | | | |
| | Russia | - | 8 15 30 | | | | |
| | Cuba | - | 10 21 30 | | | | |
| December | Java | - | 10 22 30 | | | | |
| | Russia | - | 10 21 30 | | | | |
| 34 Voyages | | | 330 14 25 | 22 Voyages | | | 226 21 0 |
| Average Voyage from } Queenstown to New } York - - - } | | | 9 17 21 | Average Voyage from } Southampton to New } York - - - } | | | 10 7 30 |
| | | | | Or, Deducting for Difference of } Distance between Southampton } and Queenstown - - - } | | | 0 20 0 |
| | | | | | | | 9 11 30 |

Appendix, No. 3.

PAPERS handed in by Mr. Scudamore, 19 March 1869.

Appendix, No. 3. RETURN showing the Course of POST from *Manchester, Bristol, Hull, Glasgow, Cork, Belfast, Limerick, and Waterford, to New York, viâ Queenstown, and viâ Southampton, in the Months of March and August 1868.*

S U M M A R Y.

| TOWN. | Month. | Course of Post to New York, viâ Queenstown. | | | Course of Post to New York, viâ Southampton. | | | Difference in favour of Queenstown. | | |
|----------------|-------------|---|----|----|--|----|-----|--|----|-----|
| | | D. | H. | M. | D. | H. | M. | D. | H. | M. |
| MANCHESTER - - | March - - | 12 | 6 | 25 | 13 | 5 | 47 | 0 | 23 | 22 |
| | August - - | 10 | 8 | 55 | 12 | 8 | 38 | 1 | 23 | 43 |
| | | 22 | 15 | 20 | 25 | 14 | 25 | 2 | 23 | 5 |
| | Average - - | 11 | 7 | 40 | 12 | 19 | 12½ | 1 | 11 | 32½ |
| BRISTOL - - - | March - - | 12 | 10 | 30 | 13 | 5 | 47 | 0 | 19 | 17 |
| | August - - | 10 | 13 | 0 | 12 | 8 | 38 | 1 | 19 | 38 |
| | | 22 | 23 | 30 | 25 | 14 | 25 | 2 | 14 | 55 |
| | Average - - | 11 | 11 | 45 | 12 | 19 | 12½ | 1 | 7 | 27½ |
| HULL - - - - | March - - | 12 | 11 | 55 | 13 | 7 | 46 | 0 | 19 | 51 |
| | August - - | 10 | 14 | 25 | 12 | 10 | 38 | 1 | 20 | 13 |
| | | 23 | 2 | 20 | 25 | 18 | 24 | 2 | 16 | 4 |
| | Average - - | 11 | 13 | 10 | 12 | 21 | 12 | 1 | 8 | 2 |
| GLASGOW - - - | March - - | 12 | 11 | 10 | 13 | 10 | 32 | 0 | 13 | 22 |
| | August - - | 10 | 13 | 40 | 12 | 12 | 30 | 1 | 22 | 50 |
| | | 23 | 0 | 50 | 25 | 23 | 2 | 2 | 12 | 12 |
| | Average - - | 11 | 12 | 25 | 12 | 23 | 31 | 1 | 6 | 6 |
| CORK - - - - | March - - | 11 | 15 | 25 | 13 | 16 | 47 | 2 | 1 | 22 |
| | August - - | 9 | 17 | 55 | 12 | 19 | 38 | 3 | 1 | 43 |
| | | 21 | 9 | 20 | 26 | 12 | 25 | 5 | 3 | 5 |
| | Average - - | 10 | 16 | 40 | 13 | 6 | 12½ | 2 | 13 | 32½ |
| BELFAST - - - | March - - | 12 | 7 | 50 | 13 | 13 | 22 | 1 | 5 | 32 |
| | August - - | 10 | 10 | 20 | 12 | 16 | 13 | 2 | 5 | 53 |
| | | 22 | 18 | 10 | 26 | 5 | 35 | 3 | 11 | 25 |
| | Average - - | 11 | 9 | 5 | 13 | 2 | 47½ | 1 | 17 | 42½ |
| LIMERICK - - - | March - - | 12 | 6 | 10 | 13 | 19 | 15 | 1 | 18 | 5 |
| | August - - | 10 | 8 | 40 | 12 | 19 | 28 | 2 | 10 | 48 |
| | | 22 | 14 | 50 | 26 | 14 | 43 | 3 | 23 | 53 |
| | Average - - | 11 | 7 | 25 | 13 | 7 | 21½ | 1 | 23 | 56½ |
| WATERFORD - - | March - - | 12 | 8 | 40 | 13 | 15 | 51 | 1 | 7 | 11 |
| | August - - | 10 | 11 | 36 | 12 | 18 | 43 | 2 | 7 | 7 |
| | | 22 | 20 | 16 | 26 | 10 | 34 | 3 | 14 | 18 |
| | Average - - | 11 | 10 | 8 | 13 | 5 | 17 | 1 | 19 | 9 |
| LONDON - - - | March - - | 12 | 10 | 25 | 12 | 19 | 2 | 0 | 8 | 37 |
| | August - - | 10 | 12 | 55 | 11 | 21 | 55 | 1 | 9 | 0 |
| | | 22 | 23 | 20 | 24 | 16 | 57 | 1 | 17 | 37 |
| | Average - - | 11 | 11 | 40 | 12 | 8 | 28½ | 0 | 20 | 48½ |

M A N C H E S T E R.

| | Date of Despatch. | Latest Time for Posting. | Date of Arrival at New York. | | Period of Transmission. | | | Name of Packet. |
|-----------------|-------------------|--------------------------|------------------------------|------------|-------------------------|----|----|--------------------|
| | | | Day. | Hour. | D. | H. | M. | |
| MARCH : | | | | | | | | |
| Viá QUEENSTOWN | February 29 | 10 p.m. | March - 12 | 8.16 a.m. | 12 | 10 | 16 | Siberia. |
| | March - 4 | - | " 19 | 11.50 p.m. | 15 | 1 | 50 | City of London. |
| | " 7 | - | " 20 | 6.50 " | 12 | 20 | 50 | Java. |
| | " 11 | - | " 24 | 1.15 a.m. | 12 | 3 | 15 | City of Baltimore. |
| | " 14 | - | " 26 | 7.5 " | 11 | 9 | 5 | China. |
| | " 18 | - | " 30 | 7.30 p.m. | 11 | 21 | 30 | City of Boston. |
| | " 21 | - | April - 2 | 7.10 a.m. | 11 | 9 | 10 | Cuba. |
| | " 25 | - | " 6 | 4.58 p.m. | 11 | 18 | 58 | City of Antwerp. |
| | " 28 | - | " 9 | 8.52 a.m. | 11 | 10 | 52 | Australasian. |
| | | | | 9) | 110 | 9 | 46 | |
| | | | Average - - - | | 12 | 6 | 25 | |
| Viá SOUTHAMPTON | March - 2 | 10 p.m. | March - 17 | 7.0 p.m. | 14 | 21 | 0 | Hermann. |
| | " 5 | - | " 20 | 4.30 " | 14 | 18 | 30 | Germania. |
| | " 9 | - | " 24 | 2.0 " | 14 | 16 | 0 | New York. |
| | " 12 | - | " 25 | 5.0 " | 12 | 19 | 0 | Allemania |
| | " 16 | - | " 28 | 5.0 a.m. | 11 | 7 | 0 | Union. |
| | " 19 | - | " 31 | 8.0 " | 11 | 10 | 0 | Cimbria. |
| | " 23 | - | April - 4 | 11.30 p.m. | 12 | 1 | 30 | Hansa. |
| | " 26 | - | " 9 | 5.30 a.m. | 13 | 7 | 30 | Saxonia. |
| | " 30 | - | " 13 | 9.30 p.m. | 13 | 23 | 30 | Bremen. |
| | | | | 9) | 119 | 4 | 0 | |
| | | | Average - - - | | 13 | 5 | 47 | |
| AUGUST : | | | | | | | | |
| Viá QUEENSTOWN | August - 1 | 10 p.m. | August 11 | 9.25 a.m. | 9 | 11 | 25 | Russia. |
| | " 5 | - | " 17 | 8.10 p.m. | 11 | 22 | 10 | City of Boston. |
| | " 8 | - | " 18 | 1.37 " | 9 | 15 | 37 | China. |
| | " 12 | - | " 23 | 4.55 " | 10 | 18 | 55 | City of Antwerp. |
| | " 15 | - | " 26 | 8.30 a.m. | 10 | 10 | 30 | Cuba. |
| | " 19 | - | " 29 | 7.30 " | 9 | 9 | 30 | City of Paris. |
| | " 22 | - | September 1 | 2.25 p.m. | 9 | 16 | 25 | Java. |
| | " 26 | - | " 7 | 10.30 a.m. | 11 | 12 | 30 | City of London. |
| | " 29 | - | " 9 | 9.13 " | 10 | 11 | 18 | Scotia. |
| | | | | 9) | 93 | 8 | 15 | |
| | | | Average - - - | | 10 | 8 | 55 | |
| Viá SOUTHAMPTON | August - 3 | 10 p.m. | August 17 | 7.30 a.m. | 13 | 9 | 30 | New York. |
| | " 6 | - | " 19 | 9.0 " | 12 | 11 | 0 | Saxonia. |
| | " 10 | - | " 22 | 3.20 " | 11 | 5 | 20 | Deutschland. |
| | " 13 | - | " 25 | 1.0 " | 11 | 3 | 0 | Hammonia. |
| | " 17 | - | " 30 | 3.0 " | 12 | 5 | 0 | Hansa. |
| | " 20 | - | September 2 | 11.0 " | 12 | 13 | 0 | Germania. |
| | " 24 | - | " 6 | 3.15 p.m. | 12 | 17 | 15 | America. |
| | " 27 | - | " 10 | 3.0 a.m. | 13 | 5 | 0 | Allemania. |
| | | | | 8) | 98 | 21 | 5 | |
| | | | Average - - - | | 12 | 8 | 38 | |

B R I S T O L.

| | Date of Despatch. | Latest Time for Posting. | Date of Arrival at New York. | | Period of Transmission. | Name of Packet. |
|-----------------|-------------------|--------------------------|------------------------------|------------|-------------------------|--------------------|
| | | | Day. | Hour. | | |
| MARCH: | | | | | | |
| Viá QUEENSTOWN | February 29 | 5.55 p.m. | March - 13 | 8.16 a.m. | 12 14 21 | Siberia. |
| | March - 4 | - - | " 19 | 11.50 p.m. | 15 5 55 | City of London. |
| | " 7 | - - | " 20 | 6.50 " | 13 0 55 | Java. |
| | " 11 | - - | " 24 | 1.15 a.m. | 12 7 20 | City of Baltimore. |
| | " 14 | - - | " 26 | 7.5 " | 11 13 10 | China. |
| | " 18 | - - | " 30 | 7.30 p.m. | 12 1 35 | City of Boston |
| | " 21 | - - | April - 2 | 7.10 a.m. | 11 13 15 | Cuba. |
| | " 25 | - - | " 6 | 4.58 p.m. | 11 28 3 | City of Antwerp. |
| | " 28 | - - | " 9 | 8.52 a.m. | 11 14 57 | Australasian. |
| | | | | 9) | 111 22 31 | |
| | | | Average - - - | | 12 10 30 | |
| Viá SOUTHAMPTON | March - 2 | 10.0 p.m. | March - 17 | 7.0 p.m. | 14 21 0 | Hermann. |
| | " 5 | - - | " 20 | 4.30 " | 14 18 30 | Germania. |
| | " 9 | - - | " 24 | 2.0 " | 14 16 0 | New York. |
| | " 12 | - - | " 26 | 5.0 " | 12 19 0 | Allemannia. |
| | " 16 | - - | " 28 | 5.0 a.m. | 11 7 0 | Union. |
| | " 19 | - - | " 31 | 8.0 " | 11 10 0 | Cimbria. |
| | " 23 | - - | April - 4 | 11.30 p.m. | 12 1 30 | Hansa. |
| | " 26 | - - | " 9 | 5.30 a.m. | 13 7 30 | Saxonia. |
| | " 30 | - - | " 13 | 9.30 p.m. | 13 23 30 | Bremen. |
| | | | | 9) | 119 4 0 | |
| | | | Average - - - | | 13 5 47 | |
| AUGUST: | | | | | | |
| Viá QUEENSTOWN | August - 1 | 5.55 p.m. | August - 11 | 9.25 a.m. | 9 15 30 | Russia. |
| | " 5 | - - | " 17 | 8.10 p.m. | 12 2 15 | City of Boston. |
| | " 8 | - - | " 18 | 1.37 " | 9 19 42 | China. |
| | " 12 | - - | " 23 | 4.55 " | 10 23 0 | City of Antwerp. |
| | " 15 | - - | " 26 | 8.30 a.m. | 10 14 35 | Cuba. |
| | " 19 | - - | " 29 | 7.30 " | 9 13 35 | City of Paris. |
| | " 22 | - - | Sept. - 1 | 2.25 p.m. | 9 20 30 | Java. |
| | " 26 | - - | " 7 | 10.30 a.m. | 11 16 35 | City of London. |
| | " 29 | - - | " 9 | 9.13 " | 10 15 18 | Scotia. |
| | | | | 9) | 94 21 0 | |
| | | | Average - - - | | 10 13 0 | |
| Viá SOUTHAMPTON | August - 3 | 10.0 p.m. | August - 17 | 7.80 a.m. | 13 9 30 | New York. |
| | " 6 | - - | " 19 | 9.0 " | 12 11 0 | Saxonia. |
| | " 10 | - - | " 22 | 3.20 " | 11 5 20 | Deutschland. |
| | " 13 | - - | " 25 | 1.0 " | 11 3 0 | Hammonia. |
| | " 17 | - - | " 30 | 3.0 " | 12 5 0 | Hansa. |
| | " 20 | - - | September 2 | 11.0 " | 12 13 0 | Germania. |
| | " 24 | - - | " 6 | 3.15 p.m. | 12 17 15 | America. |
| | " 27 | - - | " 10 | 3.0 a.m. | 13 5 0 | Allemannia. |
| | | | | 8) | 98 21 5 | |
| | | | Average - - - | | 12 8 38 | |

H U L L.

| — | Date of Despatch. | Latest Time for Posting. | Date of Arrival at New York. | | Period of Transmission. | Name of Packet. | |
|-------------------|-------------------|--------------------------|------------------------------|------------|-------------------------|--------------------|-----------|
| | | | Day. | Hour. | | | |
| MARCH: | | | | | | | |
| Viá QUEENSTOWN - | February 29 | 4.30 p.m. | March - 13 | 8.16 a.m. | D. 12 H. 15 M. 46 | Siberia. | |
| | March - 4 | - - | " - 19 | 11.50 p.m. | 15 7 20 | City of London. | |
| | " 7 | - - | " - 20 | 6.50 " | 13 2 20 | Java. | |
| | " 11 | - - | " - 24 | 1.15 a.m. | 12 8 45 | City of Baltimore. | |
| | " 14 | - - | " - 26 | 7.5 " | 11 14 35 | China. | |
| | " 18 | - - | " - 30 | 7.30 p.m. | 12 8 0 | City of Boston. | |
| | " 21 | - - | April - 2 | 7.10 a.m. | 11 14 40 | Cuba. | |
| | " 25 | - - | " - 6 | 4.58 p.m. | 12 0 28 | City of Antwerp. | |
| | " 28 | - - | " - 9 | 8.52 a.m. | 11 16 22 | Australasian. | |
| | | | | | | 9) | 112 11 16 |
| Average - - - | | | | | | 12 11 55 | |
| Viá SOUTHAMPTON - | March - 2 | 8.0 p.m. | March - 17 | 7.0 p.m. | 14 23 0 | Hermann. | |
| | " 5 | - - | " - 20 | 4.30 " | 14 20 30 | Germania. | |
| | " 9 | - - | " - 24 | 2.0 " | 14 18 0 | New York. | |
| | " 12 | - - | " - 25 | 5.0 " | 12 21 0 | Allemania. | |
| | " 16 | - - | " - 28 | 5.0 a.m. | 11 9 0 | Union. | |
| | " 19 | - - | " - 31 | 8.0 " | 11 12 0 | Cimbria. | |
| | " 23 | - - | April - 4 | 11.30 p.m. | 12 3 30 | Hansa. | |
| | " 26 | - - | " - 9 | 5.30 a.m. | 13 9 30 | Saxonia. | |
| | " 30 | - - | " - 13 | 9.30 p.m. | 14 1 30 | Bremen. | |
| | | | | | | 9) | 119 22 0 |
| Average - - - | | | | | | 13 7 46 | |
| AUGUST: | | | | | | | |
| Viá QUEENSTOWN - | August - 1 | 4.30 p.m. | August 11 | 9.25 a.m. | 9 16 55 | Russia. | |
| | " 5 | - - | " - 17 | 8.10 p.m. | 12 3 40 | City of Boston. | |
| | " 8 | - - | " - 18 | 1.37 " | 9 21 7 | China. | |
| | " 12 | - - | " - 23 | 4.55 " | 11 0 25 | City of Antwerp. | |
| | " 15 | - - | " - 26 | 8.30 a.m. | 10 16 0 | Cuba. | |
| | " 19 | - - | " - 29 | 7.30 " | 9 15 0 | City of Paris. | |
| | " 22 | - - | September 1 | 2.25 p.m. | 9 21 55 | Java. | |
| | " 26 | - - | " - 7 | 10.30 a.m. | 11 18 0 | City of London. | |
| | " 29 | - - | " - 9 | 9.13 " | 10 16 43 | Scotia. | |
| | | | | | | 9) | 95 9 45 |
| Average - - - | | | | | | 10 14 25 | |
| Viá SOUTHAMPTON - | August - 3 | 8.0 p.m. | August 17 | 7.30 a.m. | 13 11 30 | New York. | |
| | " 6 | - - | " - 19 | 9.0 " | 12 13 0 | Saxonia. | |
| | " 10 | - - | " - 22 | 3.20 " | 11 7 20 | Deutschland. | |
| | " 13 | - - | " - 25 | 1.0 " | 11 5 0 | Hammonia. | |
| | " 17 | - - | " - 30 | 3.0 " | 12 7 0 | Hansa. | |
| | " 20 | - - | September 2 | 11.0 " | 12 15 0 | Germania. | |
| | " 24 | - - | " - 6 | 3.15 p.m. | 12 19 15 | America. | |
| | " 27 | - - | " - 10 | 3.0 a.m. | 13 7 0 | Allemania. | |
| | | | | | | 8) | 99 13 5 |
| | Average - - - | | | | | | 12 10 38 |

G L A S G O W.

| | Date of Despatch. | Latest Time for Posting. | Time of Arrival at New York. | | Period of Transmission. | | | Name of Packet. |
|-------------------|-------------------|--------------------------|------------------------------|------------|-------------------------|-----|----|--------------------|
| | | | Date. | Hour. | D. | H. | M. | |
| MARCH : | | | | | | | | |
| Vià QUEENSTOWN - | February 29 | 5.15 p.m. | March - 13 | 8.16 a.m. | 12 | 15 | 1 | Siberia. |
| | March - 4 | - - | " 19 | 11.50 p.m. | 15 | 6 | 35 | City of London. |
| | " 7 | - - | " 20 | 6.50 " | 13 | 1 | 35 | Java. |
| | " 11 | - - | " 24 | 1.15 a.m. | 12 | 8 | 0 | City of Baltimore. |
| | " 14 | - - | " 26 | 7.5 " | 11 | 13 | 50 | China. |
| | " 18 | - - | " 30 | 7.30 p.m. | 12 | 2 | 15 | City of Boston. |
| | " 21 | - - | April - 2 | 7.10 a.m. | 11 | 13 | 55 | Cuba. |
| | " 25 | - - | " 6 | 4.58 p.m. | 11 | 23 | 43 | City of Antwerp. |
| | " 28 | - - | " 9 | 8.52 a.m. | 11 | 15 | 37 | Australasian. |
| | | | | | 9) | 112 | 4 | 31 |
| | | | Average - - - | | | 12 | 11 | 10 |
| Vià SOUTHAMPTON - | March - 2 | 5.15 p.m. | March - 17 | 7.0 p.m. | 15 | 1 | 45 | Hermann. |
| | " 5 | - - | " 20 | 4.30 " | 14 | 23 | 15 | Germania. |
| | " 9 | - - | " 24 | 2.0 " | 14 | 20 | 45 | New York. |
| | " 12 | - - | " 25 | 5.0 " | 12 | 23 | 45 | Allemania. |
| | " 16 | - - | " 28 | 5.0 a.m. | 11 | 11 | 45 | Union. |
| | " 19 | - - | " 31 | 8.0 " | 11 | 14 | 45 | Cimbria. |
| | " 23 | - - | April - 4 | 11.30 p.m. | 12 | 6 | 15 | Hansa. |
| | " 26 | - - | " 9 | 5.30 a.m. | 13 | 12 | 15 | Saxonia. |
| | " 30 | - - | " 13 | 9.30 p.m. | 14 | 4 | 15 | Bremen. |
| | | | | | 9) | 120 | 22 | 45 |
| | | | Average - - - | | | 13 | 10 | 32 |
| AUGUST : | | | | | | | | |
| Vià QUEENSTOWN - | August 1 | 5.15 p.m. | August 11 | 9.25 a.m. | 9 | 16 | 10 | Russia. |
| | " 5 | - - | " 17 | 8.10 p.m. | 12 | 2 | 55 | City of Boston. |
| | " 8 | - - | " 18 | 1.37 " | 9 | 20 | 22 | China. |
| | " 12 | - - | " 23 | 4.55 " | 10 | 23 | 40 | City of Antwerp. |
| | " 15 | - - | " 26 | 8.30 a.m. | 10 | 15 | 15 | Cuba. |
| | " 19 | - - | " 29 | 7.30 " | 9 | 14 | 15 | City of Paris. |
| | " 22 | - - | September 1 | 2.25 p.m. | 9 | 21 | 10 | Java. |
| | " 26 | - - | " 7 | 10.30 a.m. | 11 | 17 | 15 | City of London. |
| | " 29 | - - | " 9 | 9.13 " | 10 | 15 | 58 | Scotia. |
| | | | | | 9) | 95 | 3 | 0 |
| | | | Average - - - | | | 10 | 13 | 40 |
| Vià SOUTHAMPTON - | August 3 | 5.15 p.m. | August 17 | 7.30 a.m. | 13 | 14 | 15 | New York. |
| | " 6 | - - | " 19 | 9.0 " | 12 | 15 | 45 | Saxonia. |
| | " 10 | - - | " 22 | 3.20 " | 11 | 10 | 5 | Deutschland. |
| | " 13 | - - | " 25 | 1.0 " | 11 | 7 | 45 | Hammonia. |
| | " 17 | - - | " 30 | 3.0 " | 12 | 9 | 45 | Hausa. |
| | " 20 | - - | September 2 | 4.0 " | 12 | 10 | 45 | Germania. |
| | " 24 | - - | " 6 | 3.15 p.m. | 12 | 22 | 0 | America. |
| | " 27 | - - | " 10 | 3.0 a.m. | 13 | 9 | 45 | Allemania. |
| | | | | | 8) | 100 | 4 | 5 |
| | | | Average - - - | | | 12 | 12 | 30 |

C O R K.

| | Date of Despatch. | Latest Time for Posting. | Date of Arrival at New York. | | Period of Transmission. | Name of Packet. | |
|-------------------|-------------------|--------------------------|------------------------------|---------------|-------------------------|---|-----------|
| | | | Day. | Hour. | | | |
| MARCH : | | | | | | | |
| Viâ QUEENSTOWN - | March - 1 | 1.0 p.m. | March 13 | 8.16 a.m. | 11 19 16 | Siberia. City of London. Java. City of Baltimore. China. City of Boston. Cuba. City of Antwerp. Australasian. | |
| | " 5 | - - | " 19 | 11.50 p.m. | 14 10 50 | | |
| | " 8 | - - | " 20 | 6.50 " | 12 5 50 | | |
| | " 12 | - - | " 24 | 1.15 a.m. | 11 12 15 | | |
| | " 15 | - - | " 26 | 7.5 " | 10 18 5 | | |
| | " 19 | - - | " 30 | 7.30 p.m. | 11 6 30 | | |
| | " 22 | - - | April - 2 | 7.10 a.m. | 10 18 10 | | |
| | " 26 | - - | " 6 | 4.58 p.m. | 11 3 58 | | |
| | " 29 | - - | " 9 | 8.52 a.m. | 10 19 52 | | |
| | | | | | 9) | | 104 18 46 |
| | | | Average - - - | | 11 15 25 | | |
| Viâ SOUTHAMPTON - | March - 2 | 11.0 a.m. | March - 17 | 7.0 p.m. | 15 8 0 | Hermann. Germania. New York. Allemannia. Union. Cimbria. Hansa. Saxonia. Bremen. | |
| | " 5 | - - | " 20 | 4.30 " | 15 5 30 | | |
| | " 9 | - - | " 24 | 2.0 " | 15 3 0 | | |
| | " 12 | - - | " 25 | 5.0 " | 13 6 0 | | |
| | " 16 | - - | " 28 | 5.0 a.m. | 11 18 0 | | |
| | " 19 | - - | " 31 | 8.0 " | 11 21 0 | | |
| | " 23 | - - | April - 4 | 11.30 p.m. | 12 12 30 | | |
| | " 26 | - - | " 9 | 5.30 a.m. | 13 18 30 | | |
| | " 30 | - - | " 13 | 9.30 p.m. | 14 10 30 | | |
| | | | | | 9) | | 123 7 0 |
| | | | Average - - - | | 13 16 47 | | |
| AUGUST : | | | | | | | |
| Viâ QUEENSTOWN - | August 2 | 1.0 p.m. | August 11 | 9.25 a.m. | 8 20 25 | Russia. City of Boston. China. City of Antwerp. Cuba. City of Paris. Java. City of London. Scotia. | |
| | " 6 | - - | " 17 | 8.10 p.m. | 11 7 10 | | |
| | " 9 | - - | " 18 | 1.37 " | 9 0 37 | | |
| | " 13 | - - | " 23 | 4.55 " | 10 3 55 | | |
| | " 16 | - - | " 26 | 8.30 a.m. | 9 19 30 | | |
| | " 20 | - - | " 29 | 7.30 " | 8 18 30 | | |
| | " 23 | - - | September 1 | 2.25 p.m. | 9 1 25 | | |
| | " 27 | - - | " 7 | 10.30 a.m. | 10 21 30 | | |
| | " 30 | - - | " 9 | 9.13 " | 9 20 13 | | |
| | | | | | 9) | | 87 17 15 |
| | | | Average - - - | | 9 17 55 | | |
| Viâ SOUTHAMPTON - | August 3 | 11.0 a.m. | August - 17 | 7.30 a.m. | 18 20 30 | New York. Saxonia. Deutschland. Hammonia. Hansa. Germania. America. Allemannia. | |
| | " 6 | - - | " 19 | 9.0 " | 12 22 0 | | |
| | " 10 | - - | " 22 | 3.20 " | 11 16 20 | | |
| | " 13 | - - | " 25 | 1.0 " | 11 14 0 | | |
| | " 17 | - - | " 30 | 3.0 " | 12 16 0 | | |
| | " 20 | - - | September 2 | 11.0 " | 13 0 0 | | |
| | " 24 | - - | " 6 | 3.15 p.m. | 13 4 15 | | |
| | " 27 | - - | " 10 | 3.0 a.m. | 13 16 0 | | |
| | | | | | 8) | | 102 13 5 |
| | | | | Average - - - | | | 12 19 38 |

B E L F A S T .

| | Date of Despatch. | Latest Time for Posting. | Date of Arrival at New York. | | Period of Transmission. | Name of Packet. |
|-----------------|-------------------|--------------------------|------------------------------|------------|-------------------------|--------------------|
| | | | Day. | Hour. | | |
| MARCH: | | | | | | |
| Viá QUEENSTOWN | February 29 | 8.35 p.m. | March - 13 | 8.16 a.m. | D. H. M. 12 11 41 | Siberia. |
| | March - 4 | - - | " 19 | 11.50 p.m. | 15 3 15 | City of London. |
| | " 7 | - - | " 20 | 6.50 " | 12 22 15 | Java. |
| | " 11 | - - | " 24 | 1.15 a.m. | 12 4 40 | City of Baltimore. |
| | " 14 | - - | " 26 | 7.5 " | 11 10 30 | China. |
| | " 18 | - - | " 30 | 7.30 p.m. | 11 22 55 | City of Boston. |
| | " 21 | - - | April - 2 | 7.10 a.m. | 11 10 35 | Cuba. |
| | " 25 | - - | " 6 | 4.58 p.m. | 11 20 28 | City of Antwerp. |
| | " 28 | - - | " 9 | 8.52 a.m. | 11 12 17 | Australasian. |
| | | | | 9) | 110 22 31 | |
| | | | Average - - - | | 12 7 50 | |
| Viá SOUTHAMPTON | March - 2 | 2.25 p.m. | March - 17 | 7.0 p.m. | 15 4 35 | Hermann. |
| | " 5 | - - | " 20 | 4.30 " | 15 2 5 | Germania. |
| | " 9 | - - | " 24 | 2.0 " | 14 23 35 | New York. |
| | " 12 | - - | " 25 | 5.0 " | 13 2 35 | Allemania. |
| | " 16 | - - | " 28 | 5.0 a.m. | 11 14 35 | Union. |
| | " 19 | - - | " 31 | 8.0 " | 11 17 35 | Cimbria. |
| | " 23 | - - | April - 4 | 11.30 p.m. | 12 9 5 | Hansa. |
| | " 26 | - - | " 9 | 5.30 a.m. | 13 15 5 | Saxonia. |
| | " 30 | - - | " 13 | 9.30 p.m. | 14 7 5 | Bremen. |
| | | | | 9) | 122 0 15 | |
| | | | Average - - - | | 13 13 22 | |
| AUGUST: | | | | | | |
| Viá QUEENSTOWN | August - 1 | 8.35 p.m. | August - 11 | 9.25 a.m. | 9 12 50 | Russia. |
| | " 5 | - - | " 17 | 8.10 p.m. | 11 23 35 | City of Boston. |
| | " 8 | - - | " 18 | 1.37 " | 9 17 2 | China. |
| | " 12 | - - | " 23 | 4.55 " | 10 20 20 | City of Antwerp. |
| | " 15 | - - | " 26 | 8.30 a.m. | 10 11 55 | Cuba. |
| | " 19 | - - | " 29 | 7.30 " | 9 10 55 | City of Paris. |
| | " 22 | - - | September 1 | 2.25 p.m. | 9 17 50 | Java. |
| | " 26 | - - | " 7 | 10.30 a.m. | 11 13 55 | City of London. |
| | " 29 | - - | " 9 | 9.13 " | 10 12 38 | Scotia. |
| | | | | 9) | 93 20 0 | |
| | | | Average - - - | | 10 10 20 | |
| Viá SOUTHAMPTON | August - 3 | 2.25 p.m. | August - 17 | 7.30 a.m. | 13 17 5 | New York. |
| | " 6 | - - | " 19 | 9.0 " | 12 18 35 | Saxonia. |
| | " 10 | - - | " 22 | 3.20 " | 11 12 55 | Deutschland. |
| | " 13 | - - | " 25 | 1.0 " | 11 10 35 | Hammonia. |
| | " 17 | - - | " 30 | 3.0 " | 12 12 35 | Hansa. |
| | " 20 | - - | September 2 | 11.0 " | 12 20 35 | Germania. |
| | " 24 | - - | " 6 | 3.15 p.m. | 13 0 50 | America. |
| | " 27 | - - | " 10 | 3.0 a.m. | 13 12 35 | Allemania. |
| | | | | 8) | 101 9 45 | |
| | | | Average - - - | | 12 16 13 | |

L I M E R I C K.

| — | Date of Despatch. | Latest Time of Posting. | Date of Arrival at New York. | | Period of Transmission. | Name of Packet. |
|-----------------|-------------------|-------------------------|------------------------------|------------|-------------------------|--------------------|
| | | | Day. | Hour. | | |
| MARCH : | | | | | | |
| Viá QUEENSTOWN | February 29 | 10.15 p.m. | March - 13 | 8.16 a.m. | D. H. M. 12 10 1 | Siberia. |
| | March 4 | - - | " 19 | 11.50 p.m. | 15 1 35 | City of London. |
| | " 7 | - - | " 20 | 6.50 " | 12 20 35 | Java. |
| | " 11 | - - | " 24 | 1.15 a.m. | 12 3 0 | City of Baltimore. |
| | " 14 | - - | " 26 | 7.5 " | 11 8 50 | China. |
| | " 18 | - - | " 30 | 7.30 p.m. | 11 21 15 | City of Boston. |
| | " 21 | - - | April 2 | 7.10 a.m. | 11 8 55 | Cuba. |
| | " 25 | - - | " 6 | 4.58 p.m. | 11 18 43 | City of Antwerp. |
| | " 28 | - - | " 9 | 8.52 a.m. | 11 10 37 | Australasian. |
| | | | | 9) | 110 7 31 | |
| | | | Average - - - | | 12 6 10 | |
| Viá SOUTHAMPTON | March - 2 | 11.10 a.m. | March - 17 | 7.0 p.m. | 15 7 50 | Hermann. |
| | " 5 | - - | " 20 | 4.30 " | 15 5 20 | Germania. |
| | " 9 | - - | " 24 | 2.0 " | 15 2 50 | New York. |
| | " 12 | - - | " 25 | 5.0 " | 13 5 50 | Allemania. |
| | " 16 | - - | " 28 | 5.0 " | 12 5 50 | Union. |
| | " 19 | - - | " 31 | 8.0 " | 12 8 50 | Cimbria. |
| | " 23 | - - | April - 4 | 11.30 " | 12 12 20 | Hansa. |
| | " 26 | - - | " 9 | 5.30 a.m. | 13 18 20 | Saxonia. |
| | " 30 | - - | " 13 | 9.30 p.m. | 14 10 20 | Bremen. |
| | | | | 9) | 124 5 20 | |
| | | | Average - - - | | 13 19 15 | |
| AUGUST : | | | | | | |
| Viá QUEENSTOWN | August 1 | 10.15 p.m. | August - 11 | 9.25 a.m. | 9 11 10 | Russia. |
| | " 5 | - - | " 17 | 8.10 p.m. | 11 21 55 | City of Boston. |
| | " 8 | - - | " 18 | 1.37 " | 9 15 22 | China. |
| | " 12 | - - | " 23 | 4.55 " | 10 18 40 | City of Antwerp. |
| | " 15 | - - | " 26 | 8.30 a.m. | 10 10 15 | Cuba. |
| | " 19 | - - | " 29 | 7.30 " | 9 9 15 | City of Paris. |
| | " 22 | - - | September 1 | 2.25 p.m. | 9 16 10 | Java. |
| | " 26 | - - | " 7 | 10.30 a.m. | 11 12 15 | City of London. |
| | " 29 | - - | " 9 | 9.13 " | 10 10 58 | Scotia. |
| | | | | 9) | 93 6 0 | |
| | | | Average - - - | | 10 8 40 | |
| Viá SOUTHAMPTON | August 3 | 11.10 a.m. | August - 17 | 7.30 a.m. | 13 20 20 | New York. |
| | " 6 | - - | " 19 | 9.0 " | 12 21 50 | Saxonia. |
| | " 10 | - - | " 22 | 3.20 " | 11 16 10 | Deutschland. |
| | " 13 | - - | " 25 | 1.0 " | 11 13 50 | Hammonia. |
| | " 17 | - - | " 30 | 3.0 " | 12 15 50 | Hansa. |
| | " 20 | - - | September 2 | 11.0 " | 12 23 50 | Germania. |
| | " 24 | - - | " 6 | 3.15 p.m. | 13 4 5 | America. |
| | " 27 | - - | " 10 | 3.0 a.m. | 13 15 50 | Allemania. |
| | | | | 8) | 102 11 45 | |
| | | | Average - - - | | 12 19 28 | |

W A T E R F O R D.

| | Date of Despatch. | Latest Time for Posting. | Date of Arrival at New York. | | Period of Transmission. | | | Name of Ship. |
|-----------------|-------------------|--------------------------|------------------------------|-------------|-------------------------|----|----|--------------------|
| | | | Day. | Hour. | D. | H. | M. | |
| MARCH : | | | | | | | | |
| Vià QUEENSTOWN | Feb. - 29 | 7.45 p.m. | March 13 | 8.16 a.m. - | 12 | 12 | 31 | Siberia. |
| | March - 4 | - | " 19 | 11.50 p.m. | 15 | 4 | 5 | City of London. |
| | " 7 | - | " 20 | 6.50 " | 12 | 23 | 5 | Java. |
| | " 11 | - | " 24 | 1.15 a.m. | 12 | 5 | 30 | City of Baltimore. |
| | " 14 | - | " 26 | 7.5 " | 11 | 11 | 20 | China. |
| | " 18 | - | " 30 | 7.30 p.m. | 11 | 23 | 45 | City of Boston. |
| | " 21 | - | April 2 | 7.10 a.m. | 11 | 11 | 25 | Cuba. |
| | " 25 | - | " 6 | 4.58 p.m. | 11 | 21 | 13 | City of Antwerp. |
| | " 28 | - | " 9 | 8.52 a.m. | 11 | 13 | 7 | Australasian. |
| | | | | 9) | 111 | 6 | 1 | |
| | | | Average | - - | 12 | 8 | 40 | |
| Vià SOUTHAMPTON | March - 2 | 11.55 a.m. | March 17 | 7.0 p.m. | 15 | 7 | 5 | Hermann. |
| | " 5 | - | " 20 | 4.30 " | 15 | 4 | 35 | Germania. |
| | " 9 | - | " 24 | 2.0 " | 15 | 2 | 5 | New York. |
| | " 12 | - | " 25 | 5.0 " | 13 | 5 | 5 | Allemania. |
| | " 16 | - | " 28 | 5.0 a.m. | 11 | 17 | 5 | Union. |
| | " 19 | - | " 31 | 8.0 " | 11 | 20 | 5 | Cimbria. |
| | " 23 | - | April 4 | 11.30 p.m. | 12 | 11 | 35 | Hansa. |
| | " 26 | - | " 9 | 5.30 a.m. | 13 | 17 | 35 | Saxonia. |
| | " 30 | - | " 13 | 9.30 p.m. | 14 | 9 | 35 | Bremen. |
| | | | | 9) | 122 | 22 | 45 | |
| | | | Average | - - - | 13 | 15 | 51 | |
| AUGUST : | | | | | | | | |
| Vià QUEENSTOWN | August - 1 | 7.45 p.m. | August 11 | 9.25 a.m. | 9 | 13 | 40 | Russia. |
| | " 5 | - | " 17 | 8.10 p.m. | 12 | 0 | 25 | City of Boston. |
| | " 8 | - | " 18 | 1.87 " | 9 | 17 | 52 | China. |
| | " 12 | - | " 23 | 4.55 " | 10 | 21 | 10 | City of Antwerp. |
| | " 15 | - | " 26 | 8.30 a.m. | 10 | 12 | 45 | Cuba. |
| | " 19 | - | " 29 | 7.30 " | 9 | 11 | 45 | City of Paris. |
| | " 22 | - | Sept. 1 | 2.25 p.m. | 9 | 18 | 40 | Java. |
| | " 26 | - | " 7 | 10.30 a.m. | 11 | 14 | 45 | City of London. |
| | " 29 | - | " 9 | 9.13 " | 10 | 13 | 28 | Scotia. |
| | | | | 9) | 95 | 4 | 20 | |
| | | | Average | - - - | 10 | 11 | 36 | |
| Vià SOUTHAMPTON | August 3 | 11.55 a.m. | Aug. 17 | 7.30 a.m. | 13 | 19 | 35 | New York. |
| | " 6 | - | " 19 | 9.0 " | 12 | 21 | 5 | Saxonia. |
| | " 10 | - | " 22 | 3.20 " | 11 | 15 | 25 | Deutschland. |
| | " 13 | - | " 25 | 1.0 " | 11 | 13 | 5 | Hammonia. |
| | " 17 | - | " 30 | 3.0 " | 12 | 15 | 5 | Hansa. |
| | " 20 | - | Sept. 2 | 11.0 " | 12 | 23 | 5 | Germania. |
| | " 24 | - | " 6 | 3.15 p.m. | 13 | 3 | 20 | America. |
| | " 27 | - | " 10 | 3.0 a.m. | 13 | 15 | 5 | Allemania. |
| | | | | 8) | 102 | 5 | 45 | |
| | | | Average | - - - | 12 | 18 | 43 | |

SELECT COMMITTEE ON MAIL CONTRACTS.

443
161

L O N D O N .

| | Date of Despatch. | Latest Time for Posting. | Date of Arrival at New York. | | Period of Transmission. | Name of Packet. | |
|-------------------|-------------------|--------------------------|------------------------------|---------------|-------------------------|--------------------|--|
| | | | Day. | Hour. | | | |
| MARCH: | | | | | | | |
| Vià QUEENSTOWN - | Feb. - 29 | 6.0 p.m. | March 13 | 8.16 a.m. | 12 14 16 | Siberia. | |
| | March - 4 | - | " 19 | 11.50 p.m. | 15 5 50 | City of London. | |
| | " 7 | - | " 20 | 6.50 " | 13 0 50 | Java. | |
| | " 11 | - | " 24 | 1.15 a.m. | 12 7 15 | City of Baltimore. | |
| | " 14 | - | " 26 | 7.5 " | 11 13 5 | China. | |
| | " 18 | - | " 30 | 7.30 p.m. | 12 1 30 | City of Boston. | |
| | " 21 | - | April 2 | 7.10 a.m. | 11 13 10 | Cuba. | |
| | " 25 | - | " 6 | 4.58 p.m. | 11 22 58 | City of Antwerp. | |
| | " 28 | - | " 9 | 8.52 a.m. | 11 14 52 | Australasian. | |
| | | | | | 9) | 111 21 46 | |
| | | | Average - - - | | 12 10 25 | | |
| Vià SOUTHAMPTON - | March - 3 | 8.45 a.m. | March - 17 | 7.0 p.m. | 14 10 15 | Hermann. | |
| | " 6 | - | " 20 | 4.30 " | 14 7 45 | Germania. | |
| | " 10 | - | " 24 | 2.0 " | 14 5 15 | New York. | |
| | " 13 | - | " 25 | 5.0 " | 12 8 15 | Allemannia. | |
| | " 17 | - | " 28 | 5.0 a.m. | 10 20 15 | Union. | |
| | " 20 | - | " 31 | 8.0 " | 10 23 15 | Cimbria. | |
| | " 24 | - | April - 4 | 11.30 p.m. | 11 14 45 | Hansa. | |
| | " 27 | - | " 9 | 5.30 a.m. | 12 20 45 | Saxonia. | |
| | " 31 | - | " 13 | 9.30 p.m. | 13 12 45 | Bremen. | |
| | | | | | 9) | 115 3 15 | |
| | | | Average - - - | | 12 19 2 | | |
| AUGUST: | | | | | | | |
| Vià QUEENSTOWN - | August 1 | 6.0 p. m. | August 11 | 9.25 a.m. | 9 15 25 | Russia. | |
| | " 5 | - | " 17 | 8.10 p.m. | 12 2 10 | City of Boston. | |
| | " 8 | - | " 18 | 1.37 " | 9 19 37 | China. | |
| | " 12 | - | " 23 | 4.55 " | 10 22 55 | City of Antwerp. | |
| | " 15 | - | " 26 | 8.30 a.m. | 10 14 30 | Cuba. | |
| | " 19 | - | " 29 | 7.30 " | 9 13 30 | City of Paris. | |
| | " 22 | - | Sept. - 1 | 2.25 p.m. | 9 20 25 | Java. | |
| | " 26 | - | " 7 | 10.30 a.m. | 11 16 30 | City of London. | |
| | " 29 | - | " 9 | 9.13 " | 10 15 18 | Scotia. | |
| | | | | | 9) | 94 20 15 | |
| | | | Average - - - | | 10 12 55 | | |
| Vià SOUTHAMPTON - | August 4 | 8.45 a.m. | August 17 | 7.30 a.m. | 12 22 45 | New York. | |
| | " 7 | - | " 19 | 9.0 " | 12 0 15 | Saxonia. | |
| | " 11 | - | " 22 | 3.20 " | 10 18 35 | Deutschland. | |
| | " 14 | - | " 25 | 1.0 " | 10 16 15 | Hammonia. | |
| | " 18 | - | " 30 | 3.0 " | 11 18 15 | Hansa. | |
| | " 21 | - | Sept. 2 | 11.0 " | 12 2 15 | Germania. | |
| | " 25 | - | " 6 | 3.15 p.m. | 12 6 30 | America. | |
| | " 28 | - | " 10 | 3.0 a.m. | 12 18 15 | Allemannia. | |
| | | | | | 8) | 95 7 5 | |
| | | | | Average - - - | | 11 21 55 | |

Appendix, No. 3. RETURN showing the Total Weight of LETTERS, NEWSPAPERS, and BOOK PACKETS, &c., contained in 52 MAILS from *Queenstown*, and in 52 Mails from *Southampton*, conveyed to *New York* by the North American Packets during the Six Months ended 30th September 1868.

| R O U T E. | Letters. | Newspapers. | Books. |
|--------------------------------------|----------------|----------------|----------------|
| | <i>Ounces.</i> | <i>Pounds.</i> | <i>Pounds.</i> |
| Viá QUEENSTOWN - - - - - | 447,218 | 114,774 | 11,220 |
| Viá SOUTHAMPTON - - - - - | 169,952 | 37,083 | 3,493 |
| TOTAL - - - | 617,170 | 151,857 | 14,713 |
| Per-centage viá Queenstown - - - - - | 72½ per cent. | 75½ per cent. | 76½ per cent. |

Note.—Closed mails are included in this Return.

General Post Office, }
15 March 1869. }

Geo. Chetwynd,
Receiver and Accountant General.

RETURN showing the Weight of LETTERS, NEWSPAPERS, and BOOK PACKETS, &c., for the *United States*, and for Countries in Transit through the *United States*, contained in 52 Mails from *Queenstown*, and in 52 Mails from *Southampton*, conveyed to *New York* by the North American Packets during the Six Months ended 30th September 1868.

| R O U T E. | Letters. | Newspapers. | Books. |
|--------------------------------------|----------------|----------------|----------------|
| | <i>Ounces.</i> | <i>Pounds.</i> | <i>Pounds.</i> |
| Viá QUEENSTOWN - - - - - | 307,298 | 77,571 | 9,592 |
| Viá SOUTHAMPTON - - - - - | 89,120 | 26,107 | 3,152 |
| TOTAL - - - | 396,418 | 103,678 | 12,744 |
| Per-centage viá Queenstown - - - - - | 77½ per cent. | 75 per cent. | 75½ per cent. |

Note.—Closed mails are excluded from this Return.

General Post Office, }
17 March 1869. }

Geo. Chetwynd,
Receiver and Accountant General.

ESTIMATE of the GROSS POSTAGE on OUTWARD CORRESPONDENCE carried to *North America* by the Contract Packets in 1868.

| | | |
|--|-------|---------|
| 2,738,457 rates of letters at 6 <i>d.</i> | £. | 76,068 |
| Amount credited by foreign countries for conveyance of letters in closed mails - - - | - - - | 18,339 |
| 2,009,011 papers at 2 <i>d.</i> | - - - | 16,742 |
| Amount credited by foreign countries for conveyance of papers in closed mails - - - | - - - | 693 |
| 168,731 books at 3 <i>d.</i> | - - - | 2,109 |
| Amount credited by foreign countries for conveyance of books in closed mails - - - | - - - | 28 |
| | £. | 113,979 |

General Post Office, }
March 1869. }

Geo. Chetwynd,
Receiver and Accountant General.

4451

RETURN showing the Performances of Steamers Conveying Mails to *New York* in the Year 1868; and showing the several Mails Despatched from *New York* to the *United Kingdom* by Mail Packet during the Year 1868; the Period of Arrival in this Country; and the Time at which the Letters contained in such Mails were Delivered in *London, Liverpool, Manchester, Glasgow, and Belfast.*

PERFORMANCE OF STEAMERS CONVEYING MAILS TO NEW YORK IN JANUARY 1868.

| Day of Month. | Day of Week. | Port of Departure. | Name of Ship. | Hour of Sailing. | Arrived out, as per Telegram from New York. | | Date of Arrival, as per Way Bill. | | Duration of Voyage. |
|---------------|--------------|--------------------|-------------------|------------------|---|---------------------|-----------------------------------|------------|---------------------|
| | | | | | Day of Week. | Day of Month. | Day. | Hour. | |
| 2 | Thursday | Queenstown | City of Baltimore | 3.40 p.m. | Tuesday | January 14 | January 14 | 7.9 a.m. | 11 15½ |
| 5 | Sunday | Queenstown | Australasian | 3.30 " | Friday | January 17 | January 17 | 4.48 p.m. | 12 1½ |
| 7 | Tuesday | Southampton | Weser | 2.0 " | Sunday | January 19 | January 19 | 8.30 " | 12 6½ |
| 9 | Thursday | Queenstown | City of Boston | 3.30 " | Tuesday | January 21, 10 p.m. | January 21 | 10.11 " | 12 7 |
| 10 | Friday | Southampton | Germania | 1.0 " | Thursday | January 23 | January 23 | 3.40 a.m. | 12 14½ |
| 12 | Sunday | Queenstown | Siberia | 3.30 " | Monday | January 27 | January 27 | 1.40 p.m. | 14 2½ |
| 14 | Tuesday | Southampton | New York | 2.0 " | No Advice | - | January 28 | 6.15 " | 14 4½ |
| 16 | Thursday | Queenstown | City of Antwerp | 4.30 " | Tuesday | January 28, 9 p.m. | January 28 | 9.42 " | 12 5½ |
| 19 | Sunday | Queenstown | Russia | 5.45 " | Wednesday | January 29, 8 a.m. | January 29 | 12.13 " | 9 18½ |
| 21 | Tuesday | Southampton | Union | 2.0 " | Sunday | February 2, 9 p.m. | February 2 | 10.0 " | 12 8 |
| 23 | Thursday | Queenstown | City of London | 3.30 " | Monday | February 3 | February 3 | 8.20 " | 11 4½ |
| 24 | Friday | Southampton | Allemannia | 12.30 " | Thursday | February 6 | February 6 | 9.50 a.m. | 12 21½ |
| 26 | Sunday | Queenstown | Java | 3.30 " | Wednesday | February 5 | February 5 | 12.11 p.m. | 9 20½ |
| 28 | Tuesday | Southampton | No ship. | - | - | - | - | - | - |
| 30 | Thursday | Queenstown | City of Paris | 4.0 " | Tuesday | February 11 | February 11 | 5.0 " | 12 1 |

The point of arrival of the Cunard packets is the Company's wharf, New Jersey; of the Inman packets, New York Harbour; of the North German Lloyd packets, the Quarantine Ground; and of the Hamburg American packets, sometimes the Quarantine Ground, sometimes the Company's pier at Hoboken.

Appendix, No. 3.

PERFORMANCES OF STEAMERS CONVEYING MAILS TO NEW YORK IN FEBRUARY 1868.

| Day of Month. | Day of Week. | Port of Departure. | Name of Ship. | Hour of Sailing. | Arrived out, as per Telegram from New York. | | Date of Arrival, as per Way Bill. | | Duration of Voyage. |
|---------------|--------------|--------------------|-------------------|------------------|---|---------------------|-----------------------------------|-----------|---------------------|
| | | | | | Day of Week. | Day of Month. | Day. | Hour. | |
| 2 | Sunday | Queenstown | Palmyra | 7.50 p.m. | Saturday | February 15, 6 a.m. | February 15 | 8.20 a.m. | 12 12½ |
| 5 | Wednesday | Southampton | Deutschland | 7.30 " | Sunday | February 16 | February 16 | 3.35 p.m. | 10 20 |
| 6 | Thursday | Queenstown | City of Baltimore | 3.30 " | Monday | February 17 | February 16 | 11.30 " | 10 8 |
| 7 | Friday | Southampton | Cimbria | 10.0 " | Monday | February 17 | February 17 | 2.0 " | 9 16 |
| 9 | Sunday | Queenstown | Cuba | 3.30 " | Wednesday | February 19, 2 p.m. | February 19 | 3.15 " | 9 28½ |
| 11 | Tuesday | Southampton | Hansa | 2.0 " | Sunday | February 23, 8 p.m. | February 23 | 6.30 " | 12 4½ |
| 13 | Thursday | Queenstown | City of Boston | 3.30 " | Tuesday | February 25 | February 25 | midnight | 12 8½ |
| 16 | Sunday | Queenstown | Australasian | 3.30 " | Friday | February 28, 6 a.m. | February 28 | 9.13 a.m. | 11 17½ |
| 18 | Tuesday | Southampton | Bremen | 2.30 " | Wednesday | March 4, 2 p.m. | March 4 | 4.50 p.m. | 15 2½ |
| 20 | Thursday | Queenstown | City of Antwerp | 10.30 " | Wednesday | March 4 | March 4 | 10.15 " | 12 23½ |
| 21 | Friday | Southampton | Hammonia | 1.30 " | - | Put back disabled. | - | - | - |
| 23 | Sunday | Queenstown | Russia | 6.53 " | Thursday | March 5, 3 p.m. | March 5 | 4.30 p.m. | 10 21½ |
| 25 | Tuesday | Southampton | Weser | 2.0 " | Sunday | March 8, 8 p.m. | March 8 | 7.30 " | 12 5½ |
| 27 | Thursday | Queenstown | City of New York | 4.35 " | Tuesday | March 10, 7 p.m. | March 10 | 6.40 " | 12 2 |

PERFORMANCES OF STEAMERS CONVEYING MAILS TO NEW YORK IN MARCH 1868.

| Day of Month. | Day of Week. | Port of Departure. | Name of Ship. | Hour of Sailing. | Arrived out, as per Telegram from New York. | | Date of Arrival, as per Way Bill. | | Duration of Voyage. |
|---------------|--------------|--------------------|-------------------|------------------|---|------------------|-----------------------------------|------------|---------------------|
| | | | | | Day of Week. | Day of Month. | Day. | Hour. | |
| 1 | Sunday | Queenstown | Siberia | 3.30 p.m. | Friday | March 13, 6 a.m. | March 13 | 8.16 a.m. | 11 16½ |
| 3 | Tuesday | Southampton | Hermann | 2.30 " | Tuesday | March 17 | March 17 | 7.0 p.m. | 14 4½ |
| 5 | Thursday | Queenstown | City of London | 8.50 " | Thursday | March 19 | March 19 | 11.50 " | 14 3 |
| 6 | Friday | Southampton | Germania | 7.0 " | Friday | March 20, 3 p.m. | March 20 | 4.30 " | 13 21½ |
| 8 | Sunday | Queenstown | Java | 3.30 " | Friday | March 20, 4 " | March 20 | 6.50 " | 12 2½ |
| 10 | Tuesday | Southampton | New York | 2.0 " | Tuesday | March 24 | March 24 | 2.0 " | 14 0 |
| 12 | Thursday | Queenstown | City of Baltimore | 4.0 " | Tuesday | March 24 | March 24 | 1.15 a.m. | 11 9½ |
| 13 | Friday | Southampton | Allemania | 2.0 " | Wednesday | March 25, 5 p.m. | March 25 | 5.0 p.m. | 12 3 |
| 15 | Sunday | Queenstown | China | 5.0 " | Thursday | March 26, 6 a.m. | March 26 | 7.5 a.m. | 10 14 |
| 17 | Tuesday | Southampton | Union | 3.45 " | Saturday | March 28, 4 a.m. | March 28 | 5.0 " | 10 13½ |
| 19 | Thursday | Queenstown | City of Boston | 4.5 " | Monday | March 30 | March 30 | 7.30 p.m. | 11 3½ |
| 20 | Friday | Southampton | Cimbria | 3.0 " | Tuesday | March 31, 1 a.m. | March 31 | 8.0 a.m. | 10 17 |
| 22 | Sunday | Queenstown | Cuba | 3.45 " | Thursday | April 2, 6 a.m. | April 2 | 7.10 " | 10 15½ |
| 24 | Tuesday | Southampton | Hansa | 2.0 " | Saturday | April 4, 10 " | April 4 | 11.30 p.m. | 11 9½ |
| 26 | Thursday | Queenstown | City of Antwerp | 3.56 " | Monday | April 6, 4 p.m. | April 6 | 4.58 " | 11 1 |
| 27 | Friday | Southampton | Saxonia | 1.0 " | Thursday | April 9, 1 a.m. | April 9 | 5.30 a.m. | 12 16½ |
| 29 | Sunday | Queenstown | Australasian | 3.25 " | Thursday | April 9, 7 a.m. | April 9 | 8.52 " | 10 17½ |
| 31 | Tuesday | Southampton | Bremen | 2.0 " | Monday | April 13, 8 p.m. | April 13 | 9.30 p.m. | 13 7½ |

Appendix, No. 3.

PERFORMANCES OF STEAMERS CONVEYING MAILS TO NEW YORK IN APRIL 1868.

| Day of Month. | Day of Week. | Port of Departure. | Name of Ship. | Hour of Sailing. | Arrived out, as per Telegram from New York. | | Date of Arrival, as per Way Bill. | | Duration of Voyage. |
|---------------|--------------|--------------------|-------------------|------------------|---|-------------------|-----------------------------------|------------|---------------------|
| | | | | | Day of Week. | Day of Month. | Day. | Hour. | |
| 2 | Thursday | Queenstown | City of Paris | 4.0 p.m. | Sunday | April 12 | April 12 | 8.10 p.m. | 10 4½ |
| 3 | Friday | Southampton | Hammonia | 2.0 " | Wednesday | April 15, 8 a.m. | April 15 | 11.0 a.m. | 11 21 |
| 6 | Sunday | Queenstown | Russia | 3.45 " | Friday | April 17, 9 " | April 17 | 11.20 " | 11 19½ |
| 7 | Tuesday | Southampton | Weser | 2.0 " | Monday | April 20, 1 " | April 20 | 1.30 " | 12 11½ |
| 9 | Thursday | Queenstown | City of London | 4.10 " | Tuesday | April 21 | April 21 | 5.10 p.m. | 12 1 |
| 10 | Friday | Southampton | Teutonia | 3.0 " | Saturday | April 25, 8 p.m. | April 25 | 5.0 " | 15 2 |
| 12 | Sunday | Queenstown | Scotia | 3.45 " | Wednesday | April 22, 11 a.m. | April 22 | 1.3 " | 9 21½ |
| 14 | Tuesday | Southampton | Hermann | 2.30 " | Monday | April 27 | April 26 | 3.0 " | 12 0½ |
| 16 | Thursday | Queenstown | City of Baltimore | 4.45 " | Tuesday | April 28 | April 27 | 7.33 " | 11 2½ |
| 17 | Friday | Southampton | Germania | 5.15 " | Saturday | May 2, 2 a.m. | May 2 | 4.0 a.m. | 14 10½ |
| 19 | Sunday | Queenstown | Java | 3.0 " | Thursday | April 30, 10 " | April 30 | 12 noon | 10 21 |
| 21 | Tuesday | Southampton | Union | 3.0 " | Monday | May 4 | May 3 | 8.30 a.m. | 11 17½ |
| 23 | Thursday | Queenstown | City of Boston | 4.54 " | Wednesday | May 6 | May 5 | 11.55 p.m. | 12 7 |
| 24 | Friday | Southampton | Allemania | 3.0 " | Wednesday | May 6, 11 p.m. | May 6 | midnight | 12 9 |
| 26 | Sunday | Queenstown | China | 3.45 " | Thursday | May 7, 1 " | May 7 | 3.15 p.m. | 10 23½ |
| 28 | Tuesday | Southampton | Deutschland | 2.45 " | Saturday | May 9 | May 9 | 12 noon. | 10 21½ |
| 30 | Thursday | Queenstown | City of Antwerp | 5.0 " | Monday | May 11 | May 11 | 6.12 p.m. | 11 0½ |

440

PERFORMANCES of STEAMERS Conveying MAILS to NEW YORK in MAY 1868.

| Day of Month. | Day of Week. | Port of Departure. | Name of Ship. | Hour of Sailing. | Arrived out, as per Telegram from New York. | | Date of Arrival as per Way Bill. | | Duration of Voyage. |
|---------------|--------------|--------------------|-------------------|------------------|---|-----------------|----------------------------------|------------|---------------------|
| | | | | | Day of Week. | Day of Month. | Day. | Hour. | |
| 1 | Friday | Southampton | Cimbria | 5. 0 p.m. | Tuesday | May 12, 7 a.m. | May 12 | 8. 0 a.m. | 10 15 |
| 3 | Sunday | Queenstown | Australasian | 3. 0 " | Wednesday | May 13, 8 a.m. | May 13 | 9.30 " | 9 18½ |
| 5 | Tuesday | Southampton | Hansa | 3. 0 " | Monday | May 18 - | May 17 | 1.30 p.m. | 11 22½ |
| 7 | Thursday | Queenstown | City of Paris | 4. 0 " | Saturday | May 16, 6 p.m. | May 16 | 7. 0 " | 9 3 |
| 8 | Friday | Southampton | Saxonia | 2.40 " | Wednesday | May 20, 2 " | May 20 | 4. 0 " | 12 1½ |
| 10 | Sunday | Queenstown | Russia | 3.48 " | Tuesday | May 19, 7 " | May 19 | 9.37 " | 9 5½ |
| 12 | Tuesday | Southampton | Bremen | 2. 0 " | Sunday | May 24 - | May 24 | 8. 0 " | 12 6 |
| 14 | Thursday | Queenstown | City of London | 4. 0 " | Monday | May 25 - | May 25 | 2.10 a.m. | 10 10½ |
| 15 | Friday | Southampton | Hammonia | 4. 0 " | Tuesday | May 26 - | May 26 | 6. 0 " | 10 14 |
| 17 | Sunday | Queenstown | Scotia | 3.28 " | Tuesday | May 26, 5 a.m. | May 26 | 6.58 " | 8 15½ |
| 19 | Tuesday | Southampton | America | 3. 0 " | - | No advice - | May 31 | 4.45 p.m. | 12 1½ |
| 21 | Thursday | Queenstown | City of Baltimore | 5.21 " | Tuesday | June 2 - | June 2 | 5.30 a.m. | 11 11½ |
| 22 | Friday | Southampton | Teutonia | 4. 0 " | Saturday | June 6, 11 a.m. | June 6 | 1. 0 p.m. | 14 21 |
| 24 | Sunday | Queenstown | Java | 3.30 " | Wednesday | June 3 - | June 4 | 0.25 a.m. | 10 9 |
| 26 | Tuesday | Southampton | Weser | 2. 0 " | - | No advice - | June 6 | 8.30 " | 10 18½ |
| 28 | Thursday | Queenstown | City of Boston | 4. 0 " | Monday | June 8, 11 a.m. | June 8 | 10.49 a.m. | 10 18½ |
| 29 | Friday | Southampton | Germania | 3. 0 " | Tuesday | June 9, 11 " | June 9 | 12.45 p.m. | 10 21½ |
| 31 | Sunday | Queenstown | Cuba | 4. 5 " | Wednesday | June 10, 3 " | June 10 | 5.45 a.m. | 9 13½ |

Appendix No. 3.

PERFORMANCES OF STEAMERS CONVEYING MAILS TO NEW YORK IN JUNE 1868.

| Day of Month. | Day of Week. | Port of Departure. | Name of Ship. | Hour of Sailing. | Arrived out, as per Telegram from New York. | | Date of Arrival, as per Way Bill. | | Duration of Voyage. |
|---------------|--------------|--------------------|-------------------|------------------|---|-----------------|-----------------------------------|------------|---------------------|
| | | | | | Day of Week. | Day of Month. | Day. | Hour. | |
| 2 | Tuesday | Southampton | Hermann | 2.30 p.m. | - | No advice | June 13 | 12.30 p.m. | 10 22 |
| 4 | Thursday | Queenstown | City of Antwerp | 4.30 " | Sunday | June 14 | June 14 | 11.3 a.m. | 9 18½ |
| 5 | Friday | Southampton | Allemannia | 2.0 " | Tuesday | June 16, 5 p.m. | June 16 | 5.0 p.m. | 11 3 |
| 7 | Sunday | Queenstown | Anstralasian | 3.36 " | Wednesday | June 17, noon | June 17 | 2.45 " | 9 23 |
| 9 | Tuesday | Southampton | Union | 2.0 " | - | No advice | June 20 | 2.0 a.m. | 10 12 |
| 11 | Thursday | Queenstown | City of Paris | 4.0 " | Saturday | June 20 | June 20 | 5.45 p.m. | 9 1¼ |
| 12 | Friday | Southampton | Holsatia | 2.30 " | - | No advice | June 22 | noon | 9 21½ |
| 14 | Sunday | Queenstown | Russia | 4.0 " | Tuesday | June 23, 2 p.m. | June 23 | 3.40 p.m. | 8 23½ |
| 16 | Tuesday | Southampton | Deutschland | 2.30 " | - | No advice | June 27 | 5.25 a.m. | 10 15 |
| 18 | Thursday | Queenstown | City of London | 4.0 " | Sunday | June 28, noon | June 28 | 11.40 " | 9 10½ |
| 19 | Friday | Southampton | Cimbria | 3.0 " | Monday | June 29, 9 p.m. | June 29 | 10.15 p.m. | 10 7¼ |
| 21 | Sunday | Queenstown | Scotia | 3.36 " | Tuesday | June 30, 9 a.m. | June 30 | 10.45 a.m. | 8 19½ |
| 23 | Tuesday | Southampton | Hansa | 2.0 " | - | No advice | July 4 | 4.45 p.m. | 11 2¼ |
| 25 | Thursday | Queenstown | City of Baltimore | 3.50 " | Sunday | July 5, 4 p.m. | July 5 | 3.26 " | 9 23½ |
| 26 | Friday | Southampton | Saxonia | 2.45 " | Tuesday | July 7, 1 p.m. | July 7 | 2.10 " | 10 23 |
| 28 | Sunday | Queenstown | China | 4.5 " | Tuesday | July 7, 6 p.m. | July 7 | 7.20 " | 9 3¼ |
| 30 | Tuesday | Southampton | Bremen | 2.30 " | - | No advice | July 11 | 11.15 " | 11 8¼ |

257

PERFORMANCES OF STEAMERS conveying MAILS to NEW YORK in JULY 1868.

| Day of Month. | Day of Week. | Port of Departure. | Name of Ship. | Hour of Sailing. | Arrived out, as per Telegram from New York. | | Date of Arrival as per Way Bill. | | Duration of Voyage. |
|---------------|--------------|--------------------|-------------------|------------------|---|--------------------|----------------------------------|------------|---------------------|
| | | | | | Day of Week. | Day of Month. | Day. | Hour. | |
| 2 | Thursday | Queenstown | City of Boston | 4. 7 p.m. | Sunday | July 12 | July 12 | 10.55 p.m. | 10 6½ |
| 3 | Friday | Southampton | Hammonia | 2.30 " | Monday | July 13, 2 p.m. | July 13 | 3. 0 " | 10 0½ |
| 5 | Sunday | Queenstown | Cuba | 3.50 " | Tuesday | July 14, 7 " | July 14 | 8.34 " | 9 4½ |
| 7 | Tuesday | Southampton | America | 2.30 " | - | No advice | July 18 | 9. 0 a.m. | 10 18½ |
| 9 | Thursday | Queenstown | City of Antwerp | 3.45 " | Saturday | July 18 | July 18 | 11.55 p.m. | 9 8½ |
| 10 | Friday | Southampton | Germania | 2.30 " | Tuesday | July 21, 3 a.m. | July 21 | 6. 0 a.m. | 10 15½ |
| 12 | Sunday | Queenstown | Jaya | 2.55 " | Tuesday | July 21, 1 p.m. | July 21 | 8.35 p.m. | 9 0½ |
| 14 | Tuesday | Southampton | Weser | 2. 0 " | - | No advice | July 24 | 4.45 " | 10 2½ |
| 16 | Thursday | Queenstown | City of Paris | 4.20 " | Saturday | July 25, 6 a.m. | July 25 | 6. 0 a.m. | 8 13½ |
| 17 | Friday | Southampton | Allemania | 3. 0 " | Tuesday | July 28 | July 28 | midnight | 11 9. |
| 19 | Sunday | Queenstown | Australasian | 3.25 " | Tuesday | July 28, 1 p.m. | July 28 | 7. 9 p.m. | 9 3½ |
| 21 | Tuesday | Southampton | Hermann | 2.30 " | - | No advice | August 1 | 11. 0 a.m. | 10 20½ |
| 23 | Thursday | Queenstown | City of London | 5.20 " | Sunday | August 2 | August 2 | 3.20 p.m. | 9 22 |
| 24 | Friday | Southampton | Holsatia | 2.30 " | Sunday | August 2 | August 3 | 4. 0 a.m. | 9 13½ |
| 26 | Sunday | Queenstown | Scotia | 4.46 " | Tuesday | August 4 | August 4 | 3.15 p.m. | 8 22½ |
| 28 | Tuesday | Southampton | Union | 2.45 " | - | No advice | August 8 | 11. 0 a.m. | 10 20½ |
| 30 | Thursday | Queenstown | City of Baltimore | 5. 5 " | Sunday | August 9, 8 a.m. | August 9 | 8.40 " | 9 15½ |
| 31 | Friday | Southampton | Cimbria | 2.30 " | Monday | August 10, 11 p.m. | August 11 | 2. 0 " | 10 11½ |

Appendix, No. 3.

PERFORMANCES OF STEAMERS CONVEYING MAILS TO NEW YORK IN AUGUST 1868.

| Day of Month. | Day of Week. | Port of Departure. | Name of Ship. | Hour of Sailing. | Arrived out, as per Telegram from New York. | | Date of Arrival as per Way Bill. | | Duration of Voyage. |
|---------------|--------------|--------------------|-----------------|------------------|---|----------------------|----------------------------------|------------|---------------------|
| | | | | | Day of Week. | Day of Month. | Day. | Hour. | |
| 2 | Sunday | Queenstown | Russia | 3.45 p.m. | Tuesday | August 11, 7 a.m. | August 11 | 9.25 a.m. | 8 17½ |
| 4 | Tuesday | Southampton | New York | 2.30 " | - | No advice | August 17 | 7.30 a.m. | 12 17 |
| 6 | Thursday | Queenstown | City of Boston | 4.0 " | Monday | August 17 | August 17 | 8.10 p.m. | 11 4½ |
| 7 | Friday | Southampton | Saxonia | 3.0 " | Wednesday | August 19, 7 a.m. | August 19 | 9.0 a.m. | 11 18 |
| 9 | Sunday | Queenstown | China | 3.47 " | Tuesday | August 18, 11 " | August 18 | 1.37 p.m. | 8 21½ |
| 11 | Tuesday | Southampton | Deutschland | 3.0 " | - | No advice | August 22 | 3.20 a.m. | 10 12½ |
| 13 | Thursday | Queenstown | City of Antwerp | 3.50 " | Sunday | August 23 | August 23 | 4.55 p.m. | 10 1 |
| 14 | Friday | Southampton | Hammonia | 2.35 " | Monday | August 24, 11 p.m. | August 25 | 1.0 a.m. | 10 10½ |
| 16 | Sunday | Queenstown | Cuba | 3.35 " | Wednesday | August 26, 7 a.m. | August 26 | 8.30 " | 9 17 |
| 18 | Tuesday | Southampton | Hansa | 2.20 " | - | No advice | August 30 | 3.0 " | 10 16½ |
| 20 | Thursday | Queenstown | City of Paris | 5.0 " | Saturday | August 29, 7 a.m. | August 29 | 7.30 " | 8 14½ |
| 21 | Friday | Southampton | Germania | 2.45 " | Wednesday | September 2, 8 a.m. | September 2 | 11.0 " | 11 20½ |
| 23 | Sunday | Queenstown | Java | 3.10 " | - | No advice | September 1 | 2.25 p.m. | 8 28½ |
| 25 | Tuesday | Southampton | America | 3.0 " | Monday | September 7, 3 p.m. | September 6 | 3.15 " | 12 0½ |
| 27 | Thursday | Queenstown | City of London | - | Sunday | September 6 | September 7 | 10.30 a.m. | 10 10½ |
| 28 | Friday | Southampton | Allemania | 6.30 " | Wednesday | September 9, 11 p.m. | September 10 | 3.0 " | 12 8½ |
| 30 | Sunday | Queenstown | Scotia | 2.18 " | Wednesday | September 9 | September 9 | 9.13 " | 10 15½ |

753

PERFORMANCES of STEAMERS conveying MAILS to NEW YORK in SEPTEMBER 1868.

| Day of Month. | Day of Week. | Port of Departure. | Name of Ship. | Hour of Sailing. | Arrived out, as per Telegram from New York. | | Date of Arrival, as per Way Bill | | Duration of Voyage. |
|---------------|--------------|--------------------|-------------------|------------------|---|-----------------------|----------------------------------|-----------|---------------------|
| | | | | | Day of Week. | Day of Month. | Day. | Hour. | |
| 1 | Tuesday | Southampton | Weiser | 2.40 p.m. | Saturday | September 12 | September 12 | 6. 0 a.m. | 10 16½ |
| 3 | Thursday | Queenstown | City of Baltimore | 8.58 " | Sunday | September 13, 11 a.m. | September 13 | 11.22 " | 9 14½ |
| 4 | Friday | Southampton | Holsatia | 2.45 " | Monday | September 14, 6 " | September 14 | 8. 0 " | 9 17½ |
| 6 | Sunday | Queenstown | Russia | 3.45 " | Tuesday | September 15 | September 15 | 6. 0 " | 8 14½ |
| 8 | Tuesday | Southampton | Hermann | 2.30 " | Saturday | Sept. 19, 4.30 p.m. | September 19 | 6.45 " | 10 16½ |
| 10 | Thursday | Queenstown | City of Boston | 4. 0 " | Saturday | September 19 | September 20 | 1.30 " | 9 9½ |
| 11 | Friday | Southampton | Cimbria | 2.25 " | Monday | September 21, 6 p.m. | September 21 | 7. 0 p.m. | 10 4½ |
| 13 | Sunday | Queenstown | China | 4.15 " | Tuesday | September 22 | September 22 | 5.40 a.m. | 8 13½ |
| 15 | Tuesday | Southampton | Union | 2.35 " | Friday | September 25 | September 25 | 9.45 " | 9 19½ |
| 17 | Thursday | Queenstown | City of Antwerp | 4. 4 " | Saturday | September 26, noon | September 26 | noon | 8 20 |
| 18 | Friday | Southampton | Westphalia | 3.20 " | Sunday | Sept. 27, midnight | September 28 | 5.30 a.m. | 9 14½ |
| 20 | Sunday | Queenstown | Cuba | 3.45 " | Tuesday | September 29 | September 29 | 0.40 p.m. | 8 21 |
| 22 | Tuesday | Southampton | Bremen | 2.40 " | Saturday | October 3 | October 3 | 11.25 " | 11 8½ |
| 24 | Thursday | Queenstown | City of Paris | 4. 0 " | Saturday | October 3 | October 3 | 9.15 " | 9 5½ |
| 25 | Friday | Southampton | Hammonia | 2.35 " | Tuesday | October 6, 8 a.m. | October 6 | 8. 0 a.m. | 10 17½ |
| 27 | Sunday | Queenstown | Java | 3.33 " | Tuesday | October 6, 7 " | October 6 | 9.13 " | 9 17½ |
| 29 | Tuesday | Southampton | Deutschland | 3.30 " | Saturday | Oct. 10, 5 " | October 10 | 3.15 " | 10 11½ |

PERFORMANCE OF STEAMERS CONVEYING MAILS TO NEW YORK IN OCTOBER 1868.

| Day of Month. | Day of Week. | Port of Departure. | Name of Ship. | Hour of Sailing. | Arrived out, as per Telegram from New York. | | Date of Arrival as per Way Bill. | | Duration of Voyage. |
|---------------|--------------|--------------------|-------------------|------------------|---|---------------------|----------------------------------|------------|---------------------|
| | | | | | Day of Week. | Day of Month. | Day. | Hour. | |
| 1 | Thursday | Queenstown | City of London | 4.15 p.m. | Monday | October 12, 3 a.m. | October 12 | 8. 7 am. | 10 10 $\frac{1}{2}$ |
| 2 | Friday | Southampton | Germania | 2.45 " | Thursday | October 15, 1 p.m. | October 15 | 3. 0 " | 12 12 $\frac{1}{2}$ |
| 4 | Sunday | Queenstown | Scotia | 7.25 a.m. | Wednesday | October 14, 2 " | October 14 | 4.80 p.m. | 10 9 |
| 6 | Tuesday | Southampton | Rhein | 8.15 p.m. | - | No advice | October 17 | 6.30 a.m. | 10 15 $\frac{1}{2}$ |
| 8 | Thursday | Queenstown | City of Baltimore | 4. 0 " | Sunday | October 18 | October 18 | 7.55 p.m. | 10 4 |
| 9 | Friday | Southampton | Allemania | 3. 0 " | Wednesday | October 21, 6 a.m. | October 21 | 7.30 a.m. | 11 16 $\frac{1}{2}$ |
| 11 | Sunday | Queenstown | Russia | 4. 5 " | Wednesday | October 21, 3 " | October 21 | 6.57 " | 9 14 $\frac{1}{2}$ |
| 13 | Tuesday | Southampton | Hansa | 2.45 " | Monday | October 26 | October 26 | 10. 0 " | 12 19 $\frac{1}{2}$ |
| 15 | Thursday | Queenstown | City of Boston | 11.45 " | Tuesday | October 27 | October 27 | 8.45 " | 11 9 |
| 16 | Friday | Southampton | Holsatia | 2.30 " | Tuesday | October 27, 2 a.m. | October 27 | 8. 0 " | 10 12 $\frac{1}{2}$ |
| 18 | Sunday | Queenstown | China | 3.50 " | Thursday | October 29, 8 " | October 29 | 10.30 " | 10 18 $\frac{1}{2}$ |
| 20 | Tuesday | Southampton | America | 8. 0 " | - | No advice | November 1 | 5.30 p.m. | 12 2 $\frac{1}{2}$ |
| 22 | Thursday | Queenstown | City of Antwerp | 3.50 " | Monday | November 2 | November 2 | midnight | 11 6 $\frac{1}{2}$ |
| 23 | Friday | Southampton | Cimbria | 2.40 " | Tuesday | November 3, 9 p.m. | November 3 | 11. 0 p.m. | 11 8 $\frac{1}{2}$ |
| 25 | Sunday | Queenstown | Cuba | 2. 5 " | Wednesday | November 4, 8 p.m. | November 4 | 5.35. " | 10 8 $\frac{1}{2}$ |
| 27 | Tuesday | Southampton | Weser | 2.50 " | Sunday | November 8 | November 8 | 4.30 a.m. | 11 13 $\frac{1}{2}$ |
| 29 | Thursday | Queenstown | City of Paris | 11.40 " | Sunday | November 8 | November 8 | 11.45 p.m. | 10 0 |
| 30 | Friday | Southampton | Westphalia | 3.15 " | Monday | November 9, 10 p.m. | November 9 | 11.30 " | 10 8 $\frac{1}{2}$ |

PERFORMANCES OF STEAMERS CONVEYING MAILS TO NEW YORK IN NOVEMBER 1868.

| Day of Month. | Day of Week. | Port of Departure. | Name of Ship. | Hour of Sailing | Arrived out, as per Telegram from New York. | | Date of Arrival as per Way Bill. | | Duration of Voyage. |
|---------------|--------------|--------------------|-------------------|-----------------|---|------------------|----------------------------------|-----------|---------------------|
| | | | | | Day of Week. | Day of Month. | Day. | Hour. | |
| 1 | Sunday | Queenstown | Java | 3.30 p.m. | Wednesday | Nov. 11 | Nov. 11 | 1.30 p.m. | 9 22 |
| 3 | Tuesday | Southampton | Hermann | 2.30 " | Sunday | Nov. 15 | Nov. 15 | 6.30 a.m. | 11 16 |
| 5 | Thursday | Queenstown | City of London | 11. 5 " | Monday | Nov. 16, 7 a.m. | Nov. 16 | 7. 0 " | 10 8 |
| 8 | Sunday | Queenstown | Scotia | 3.34 " | Tuesday | Nov. 17, 10 p.m. | Nov. 18 | 8. 0 " | 9 10½ |
| 10 | Tuesday | Southampton | Union | 2.45 " | Friday | Nov. 20 | Nov. 20 | 7.45 p.m. | 10 5 |
| 12 | Thursday | Queenstown | City of Baltimore | 3.54 " | Sunday | Nov. 22 | Nov. 22 | 1.45 a.m. | 9 9½ |
| 15 | Sunday | Queenstown | Russia | 3.47 " | Tuesday | Nov. 24, 7 a.m. | Nov. 24 | 8.53 " | 8 17 |
| 17 | Tuesday | Southampton | Deutschland | 2.20 " | Saturday | Nov. 28 | Nov. 28 | 3.20 " | 10 18 |
| 19 | Thursday | Queenstown | City of Boston | 3.50 " | Monday | Nov. 30 | Nov. 30 | 11. 0 " | 10 19½ |
| 22 | Sunday | Queenstown | China | 4.14 " | Thursday | Dec. 3, 7 p.m. | Dec. 3 | 8.25 p.m. | 11 4½ |
| 24 | Tuesday | Southampton | Rhein | 2.45 " | Saturday | Dec. 5, noon | Dec. 5 | 0.15 " | 10 21½ |
| 26 | Thursday | Queenstown | City of Antwerp | 3.45 " | Sunday | Dec. 6 | Dec. 6 | 1.42 a.m. | 9 10 |
| *30 | Monday | Queenstown | Cuba | 4.15 " | Friday | Dec. 11, 1 p.m. | Dec. 11 | 3.10 p.m. | 10 28 |

* Delayed in sailing by bad weather.

75/5

PERFORMANCES OF STEAMERS CONVEYING MAILS TO NEW YORK IN DECEMBER 1868.

| Day of Month. | Day of Week. | Port of Departure. | Name of Ship. | Hour of Sailing. | Arrived out, as per Telegram from New York. | | Date of Arrival as per Way Bill. | | Duration of Voyage. |
|---------------|--------------|--------------------|-------------------|------------------|---|-------------------------|----------------------------------|------------|---------------------|
| | | | | | Day of Week. | Day of Month. | Day. | Hour. | |
| 1 | Tuesday | Southampton | Main | 2 0 p.m. | Sunday | Dec. 13, 6 a.m. | Dec. 13 | 7.15 a.m. | Days. hrs. 11 17½ |
| 3 | Thursday | Queenstown | City of Paris | 4.15 " | Monday | Dec. 14 - | Dec. 14 | 10.30 a.m. | 10 18½ |
| 6 | Sunday | Queenstown | Java | 3.55 " | Thursday | Dec. 17, 11 a.m. | Dec. 17 | 1. 5 p.m. | 10 21 |
| 8 | Tuesday | Southampton | America | 3.15 " | Monday | Dec. 21, 7 p.m. | Dec. 21 | 8.50 " | 13 5½ |
| 11 | Thursday | Queenstown | City of London | 0.12 a.m. | Thursday | Dec. 24 - | Dec. 24 | 8.45 a.m. | 13 8½ |
| 13 | Sunday | Queenstown | Australasian | 3.50 p.m. | Friday | Dec. 25, 8 a.m. | Dec. 25 | 9. 0 " | 11 17½ |
| 15 | Tuesday | Southampton | Weser | 2. 0 " | Monday | Dec. 28, 1 p.m. | Dec. 28 | 1.30 p.m. | 12 23½ |
| 17 | Thursday | Queenstown | City of Baltimore | 5.38 " | Wednesday | Dec. 30, 4 a.m. | Dec. 30 | 4. 0 a.m. | 12 10½ |
| 20 | Sunday | Queenstown | Russia | 4.14 " | Thursday | Dec. 31, 1 p.m. | Dec. 31 | 2.50 p.m. | 10 22½ |
| 22 | Tuesday | Southampton | Hermann | 3.10 " | Tuesday | 1869: Jan. 5, 9 p.m. | Jan. 5 | 10.30 p.m. | 14 7½ |
| 24 | Thursday | Queenstown | Eina | 4.36 " | Sunday | Jan. 10, 6 a.m. | Jan. 10 | 5.30 a.m. | 16 13 |
| 28 | Sunday | Queenstown | China | 3.25 a.m. | Sunday | Jan. 10, noon | Jan. 10 | 3. 0 p.m. | 13 11½ |
| 29 | Tuesday | Southampton | Union | 2.45 p.m. | Monday | Jan. 11, 9 a.m. | Jan. 11 | 10. 0 a.m. | 12 19½ |
| 31 | Thursday | Queenstown | City of New York | 4. 5 " | Thursday | Jan. 14 - | Jan. 14 | 2.52 p.m. | 13 22½ |

STATEMENT showing the several MAILS Despatched from New York to the United Kingdom by Mail Packet during the Month of January 1868, the Period of Arrival in this Country, and the Time at which the Letters contained in such Mails were Delivered in London, Liverpool, Manchester, Glasgow, and Belfast.

| Date of Despatch. | Name of Packet. | Port of Arrival. | Date of Arrival. | * TIME OF DELIVERY OF LETTERS IN | | | | | | |
|-------------------|---------------------|------------------|------------------|----------------------------------|-----------------------|------------------------|------------------------|-----------------------|--|--|
| | | | | London. | Liverpool. | Manchester. | Glasgow. | Belfast. | | |
| JANUARY: | | | | | | | | | | |
| Jan. 1 | Africa - | Queenstown | Sun. 12 Jan. | Mon. 13 Jan. 9.0 a.m. | Mon. 13 Jan. 7.0 a.m. | Mon. 13 Jan. 7.15 a.m. | Mon. 13 Jan. 7.38 p.m. | Mon. 13 Jan. 7.0 a.m. | | |
| " 2 | Hermann - | Southampton | Mon. 13 " | Mon. 13 " 11.40 " | Tues. 14 " 7.0 " | Tues. 14 " 7.15 " | Tues. 14 " 9.7 a.m. | Tues. 14 " 1.45 p.m. | | |
| " 4 | City of London | Queenstown | Mon. 13 " | Tues. 14 " 7.15 p.m. | Tues. 14 " 6.0 p.m. | Wed. 15 " 7.15 " | Wed. 15 " 9.7 " | Tues. 14 " 1.45 " | | |
| " 6 | Scotia - | Queenstown | Fri. 17 " | Mon. 20 " 7.30 a.m. | Sat. 18 " 6.0 " | Sun. 19 " 7.15 " | Sun. 19 " 8.54 a.m. | Sat. 18 " 1.40 " | | |
| " 9 | Deutschland - | Southampton | Sun. 19 " | Mon. 20 " 7.30 " | Mon. 20 " 1.34 " | Mon. 20 " 4.30 p.m. | Tues. 21 " 7.15 " | Tues. 21 " 7.0 a.m. | | |
| " 11 | City of Washington. | Queenstown | Thurs. 23 " | Sat. 25 " 9.0 " | Sat. 25 " 7.0 a.m. | Sat. 25 " 12.45 " | Sun. 26 " 9.0 " | Sat. 25 " 7.0 " | | |
| " 14 | Hammonia - | Southampton | Sat. 25 " | Sat 25 " 11.25 " | Sun. 26 " 7.0 " | Sun. 26 " 7.15 a.m. | Sun. 26 " 9.0 " | Mon. 27 " 7.0 " | | |
| " 15 | Cuba - | Queenstown | Fri. 24 " | Mon. 27 " 7.30 " | Sun. 26 " 7.0 " | Sun. 26 " 7.15 " | Sun. 26 " 9.0 " | Sat. 25 " 8.0 p.m. | | |
| " 16 | America - | Southampton | Mon. 27 " | Mon. 27 " 11.35 " | Tues. 28 " 7.0 " | Tues. 28 " 7.15 " | Tues. 28 " 8.38 " | Tues. 28 " 1.40 " | | |
| " 18 | City of Baltimore | † Liverpool - | Wed. 29 " | Wed. 29 " 4.30 p.m. | Wed. 29 " 11.0 " | Wed. 29 " 4.30 p.m. | Thurs. 30 " 7.20 " | Thurs. 30 " 1.40 " | | |
| " 22 | Persia - | Queenstown | Sat. 1 Feb. | Mon. 3 Feb. 7.30 a.m. | Mon. 3 Feb. 7.0 " | Mon. 3 Feb. 7.15 " | Mon. 3 Feb. 9.45 a.m. | Mon. 3 Feb. 7.0 a.m. | | |
| " 23 | Bremen - | Southampton | Tues. 4 " | Tues. 4 " 1.15 p.m. | Wed. 5 " 7.0 " | Wed. 5 " 7.15 a.m. | Wed. 5 " 8.36 a.m. | Wed. 5 " 12.15 p.m. | | |
| " 25 | City of Boston - | Queenstown | Tues. 4 " | Wed. 5 " 9.0 a.m. | Wed. 5 " 7.0 " | Wed. 5 " 12.45 p.m. | Wed. 5 " 7.42 p.m. | Wed. 5 " 7.0 a.m. | | |
| " 28 | Germania - | Southampton | Sat. 8 " | Sat. 8 " 1.42 " | Sun. 9 " 7.0 " | Sun. 9 " 7.15 a.m. | Sun. 9 " 8.32 a.m. | Mon. 10 " 7.0 " | | |
| " 30† | Australasian - | Queenstown | Sat. 8 " | Mon. 10 " 7.15 " | Sun. 9 " 7.0 " | Sun. 9 " 7.15 " | Mon. 10 " 8.10 " | Sun. 9 " 8.0 " | | |
| " 30 | Weser - | Southampton | Sun. 9 " | Mon. 10 " 7.15 " | Mon. 10 " 7.0 " | Mon. 10 " 7.15 " | Mon. 10 " 8.10 " | Mon. 10 " 12.15 p.m. | | |

* The hours given here are those at which the letters were sent out for delivery by letter carrier, but in many instances the holders of private boxes obtained their letters somewhat earlier.

† The Packet was prevented calling at Queenstown by dense fog.

‡ Detained by severe snow storm.

751

STATEMENT showing the several **MAILS** Despatched from *New York* to the *United Kingdom* by Mail Packet during the Month of February 1868, the Period of Arrival in this Country, and the Time at which the Letters contained in such Mails were Delivered in *London, Liverpool, Manchester, Glasgow, and Belfast*.

| Date of Despatch. | Name of Packet. | Port of Arrival. | Date of Arrival. | * TIME OF DELIVERY OF LETTERS IN | | | | |
|-------------------|-------------------|------------------|------------------|----------------------------------|------------------------|-------------------------|------------------------|-------------------------|
| | | | | London. | Liverpool. | Manchester. | Glasgow. | Belfast. |
| FEBRUARY: | | | | | | | | |
| Feb. 1 | City of Antwerp | Queenstown | Mon. 10 Feb. | Wed. 12 Feb. 9.0 a.m. | Wed. 12 Feb. 7.0 a.m. | Wed. 12 Feb. 12.45 p.m. | Wed. 12 Feb. 8.50 a.m. | Wed. 12 Feb. 7.0 a.m. |
| " 5 | Russia - | Queenstown | Fri. 14 " | Mon. 17 " 7.30 " | Sat. 15 " 11.0 " | Sat. 15 " 4.30 " | Sat. 15 " 7.54 p.m. | Sat. 15 " 12.15 p.m. |
| " 6 | New York - | Southampton | Mon. 17 " | Mon. 17 " 7.20 p.m. | Tues. 18 " 7.0 " | Tues. 18 " 7.15 a.m. | Tues. 18 " 8.50 a.m. | Tues. 18 " 12.25 " |
| " 6 | City of London - | Queenstown | Tues. 18 " | Wed. 19 " 7.15 " | Wed. 19 " 6.15 p.m. | Thurs. 20 " 7.15 " | Thurs. 20 " 7.24 " | Wed. 19 " 12.20 " |
| " 11 | Allemannia - | Southampton | Sat. 22 " | Sat. 22 " 9.0 " | Sun. 23 " 7.0 a.m. | Sun. 23 " 7.15 " | Sun. 23 " 8.35 " | Mon. 24 " 7.0 a.m. |
| " 12 | Siberia - | Queenstown | Sat. 22 " | Mon. 24 " 7.20 a.m. | Mon. 24 " 7.0 " | Mon. 24 " 7.0 " | Mon. 24 " 8.8 " | Mon. 24 " 7.0 " |
| " 13 | Union - | Southampton | Sun. 23 " | Mon. 24 " 7.20 " | Mon. 24 " 1.30 p.m. | Mon. 24 " 12.45 p.m. | Tues. 25 " 7.20 " | Tues. 25 " 7.0 " |
| " 15 | City of Paris - | Queenstown | Mon. 24 " | Tues. 25 " 7.30 p.m. | Tues. 26 " 4.5 " | Wed. 26 " 7.0 a.m. | Wed. 26 " 8.25 " | Tues. 25 " 12.25 p.m. |
| " 19 | Java - | Queenstown | Fri. 26 " | Sat. 29 " 9.0 a.m. | Sat. 29 " 7.0 a.m. | Sat. 29 " 7.0 " | Sat. 29 " 7.28 " | Fri. 28 " 8.0 " |
| " 20 | No ship. | - | - | - | - | - | - | - |
| " 22 | City of Baltimore | Queenstown | Mon. 2 Mar. | Tues. 3 Mar. 7.40 p.m. | Tues. 3 Mar. 4.15 p.m. | Wed. 4 Mar. 7.0 a.m. | Wed. 4 Mar. 8.37 a.m. | Tues. 3 Mar. 12.35 p.m. |
| " 25 | Cimbria - | Southampton | Fri. 6 " | Sat. 7 " 7.30 a.m. | Sat. 7 " 1.30 " | Sat. 7 " 12.45 p.m. | Sun. 8 " 8.17 " | Sun. 8 " 8.0 a.m. |
| " 26 | Palmyra - | Queenstown | Sun. 8 " | Mon. 9 " 9.0 " | Mon. 9 " 7.0 a.m. | Mon. 9 " 7.0 a.m. | Mon. 9 " 7.33 p.m. | Mon. 9 " 7.0 " |
| " 27 | Deutschland - | Southampton | Sun. 8 " | Mon. 9 " 7.30 " | Mon. 9 " 1.30 p.m. | Mon. 9 " 4.30 p.m. | Tues. 10 " 7.6 a.m. | - - No Mail. |
| " 29 | City of Boston - | Queenstown | Wed. 11 " | Thurs. 12 " 9.0 " | Thurs. 12 " 7.0 a.m. | Thurs. 12 " 12.45 " | Thurs. 12 " 7.27 p.m. | Thurs. 12 Mar. 7.0 a.m. |

* The hours given here are those at which the letters were sent out for delivery by letter carrier, but in many instances the holders of private boxes obtained their letters somewhat earlier.

SELECT COMMITTEE ON MAIL CONTRACTS.

177
1510

STATEMENT showing the several MAILS Despatched from New York to the United Kingdom by Mail Packet during the Month of March 1868, the Period of Arrival in this Country, and the Time at which the Letters contained in such Mails were Delivered in London, Liverpool, Manchester, Glasgow, and Belfast.

| Date of Despatch. | Name of Packet. | Port of Arrival. | Date of Arrival. | * TIME OF DELIVERY OF LETTERS IN | | | | |
|-------------------|-------------------|------------------|------------------|----------------------------------|-----------------------|------------------------|-----------------------|------------------------|
| | | | | London. | Liverpool. | Manchester. | Glasgow. | Belfast. |
| MARCH: | | | | | | | | |
| March 4 | Cuba | Queenstown | Sat. 14 Mar. | Mon. 16 Mar. 7.15 a.m. | Mon. 16 Mar. 7.0 a.m. | Sun. 15 Mar. 7.0 a.m. | Mon. 16 Mar. 8.7 a.m. | Sat. 14 Mar. 7.50 p.m. |
| " 5 | Hansa | Southampton | Sun. 15 " | Mon. 16 " 9.0 " | Mon. 16 " 4.10 p.m. | Mon. 16 " 4.30 p.m. | Tues. 17 " 7.14 " | Tues. 17 " 12.25 " |
| " 7 | City of Antwerp | Queenstown | Tues. 17 " | Thurs. 19 " 9.0 " | Thurs. 19 " 7.0 a.m. | Thurs. 19 " 7.0 a.m. | Thurs. 19 " 8.24 " | Wed. 18 " 7.55 " |
| " 10 | Bremen | Southampton | Sat. 21 " | Mon. 23 " 7.80 " | Mon. 23 " 7.0 " | Mon. 23 " 7.0 " | Mon. 23 " 8.10 " | Mon. 23 " 12.16 " |
| " 11 | Australasian | Queenstown | Sat. 21 " | Mon. 23 " 7.80 " | Sun. 22 " 7.0 " | Sun. 22 " 7.0 " | Sun. 22 " 8.27 " | Sat. 21 " 7.55 " |
| " 12 | Weser | Southampton | Mon. 23 " | Mon. 23 " 4.30 p.m. | Tues. 24 " 7.0 " | Tues. 24 " 7.0 " | Tues. 24 " 8.40 " | Tues. 24 " 12.25 " |
| " 14 | City of New York | Queenstown | Wed. 25 " | Thurs. 26 " 9.0 a.m. | Thurs. 26 " 7.0 " | Thurs. 26 " 12.45 p.m. | Thurs. 26 " 8.20 " | Wed. 25 " 7.55 " |
| " 18 | Russia | Queenstown | Fri. 27 " | Sat. 28 " 9.0 " | Sat. 28 " 7.0 " | Sat. 28 " 7.0 a.m. | Sat. 28 " 7.30 p.m. | Sat. 28 " 7.0 a.m. |
| " 19 | Hermann | Southampton | Tues. 31 " | Tues. 31 " 7.30 p.m. | Wed. 1 Apr. 7.0 " | Wed. 1 Apr. 7.0 " | Wed. 1 Apr. 8.25 a.m. | Wed. 1 Apr. 12.20 p.m. |
| " 21 | City of London | Queenstown | Wed. 1 April | Thurs. 2 Apr. 9.0 a.m. | Thurs. 2 " 7.0 " | Thurs. 2 " 12.45 p.m. | Thurs. 2 " 8.28 " | Wed. 1 " 7.50 " |
| " 24 | Germania | Southampton | Sat. 4 " | Mon. 6 " 7.80 " | Mon. 6 " 7.0 " | Mon. 6 " 7.0 a.m. | Mon. 6 " 8.80 " | Mon. 6 " 12.16 " |
| " 25 | Siberia | Queenstown | Sat. 4 " | Mon. 6 " 7.30 " | Mon. 6 " 7.0 " | Mon. 6 " 7.0 " | Mon. 6 " 8.80 " | Mon. 6 " 7.0 a.m. |
| " 26 | New York | Southampton | Mon. 6 " | Mon. 6 " 1.40 p.m. | Tues. 7 " 7.0 " | Tues. 7 " 7.0 " | Tues. 7 " 8.24 " | Tues. 7 " 12.25 p.m. |
| " 28 | City of Baltimore | Queenstown | Tues. 7 " | Wed. 8 " 7.45 " | Wed. 8 " 6.0 p.m. | Thurs. 9 " 7.0 " | Thurs. 9 " 8.16 " | Wed. 8 " 12.20 " |
| " 31 | Allemania | Southampton | Sat. 11 " | Sat. 11 " 5.30 " | Sun. 12 " 7.0 a.m. | Sun. 12 " 7.0 " | Sun. 12 " 8.18 " | Mon. 13 " 7.0 a.m. |

* The hours given here are those at which the letters were sent out for delivery by letter carrier, but in many instances the holders of private boxes obtained their letters somewhat earlier.

STATEMENT showing the several *MAILS* Despatched from *New York* to the *United Kingdom* by Mail Packet during the Month of April 1868, the Period of Arrival in this Country, and the Time at which the Letters contained in such Mails were Delivered in *London, Liverpool, Manchester, Glasgow, and Belfast.*

| Date of Despatch. | Name of Packet. | Port of Arrival. | Date of Arrival. | * TIME OF DELIVERY OF LETTERS IN | | | | |
|-------------------|------------------|------------------|------------------|----------------------------------|-------------------------|--------------------------|-------------------------|-------------------------|
| | | | | London. | Liverpool. | Manchester. | Glasgow. | Belfast. |
| APRIL: | | | | | | | | |
| 1 April | Java - - | Queenstown | Fri. 10 Apr. | Sat. 11 April, 9.0 a.m. | Sat. 11 April, 7.0 a.m. | Sat. 11 April, 7.30 a.m. | Sat. 11 April, 7.0 a.m. | Sat. 11 April, 7.0 a.m. |
| 2 " | Union - - | Southampton | Sun. 12 " | Mon. 13 " 7.30 " | Mon. 13 " 12.45 p.m. | Tues. 14 " 7.5 " | Tues. 14 " 7.0 " | Tues. 14 " 7.0 " |
| 4 " | City of Boston - | Queenstown | Tues. 14 " | Wed. 15 " 7.25 p.m. | Wed. 15 " 6.0 " | Thurs. 16 " 8.25 " | Thurs. 16 " 7.0 a.m. | Wed. 15 " 12.15 p.m. |
| 7 " | Cimbria - - | Southampton | Fri. 17 " | Fri. 17 " 4.25 " | Sat. 18 " 7.0 a.m. | Sat. 18 " 7.0 " | Sat. 18 " 7.0 " | Sat. 18 " 12.20 " |
| 8 " | China - - | Queenstown | Fri. 17 " | Sat. 18 " 7.20 a.m. | Sat. 18 " 7.0 " | Sat. 18 " 7.30 p.m. | Sat. 18 " 7.0 a.m. | Sat. 18 " 7.0 a.m. |
| 9 " | Hansa - - | Southampton | Mon. 20 " | Tues. 21 " 7.30 " | Tues. 21 " 1.40 p.m. | Wed. 22 " 7.0 a.m. | Wed. 22 " 7.0 " | Wed. 22 " 7.0 " |
| 11 " | City of Antwerp | Queenstown | Tues. 21 " | Wed. 22 " 9.0 " | Wed. 22 " 7.0 a.m. | Wed. 22 " 7.30 p.m. | Wed. 22 " 7.0 " | Wed. 22 " 7.0 " |
| 14 " | Saxonia - - | Southampton | Sat. 25 " | Mon. 27 " 7.30 " | Mon. 27 " 7.0 " | Mon. 27 " 8.0 a.m. | Mon. 27 " 7.0 a.m. | Mon. 27 " 12.15 p.m. |
| 15 " | Australasian - | Queenstown | Fri. 24 " | Sat. 25 " 9.0 " | Sat. 25 " 7.0 " | Sat. 25 " 7.36 p.m. | Sat. 25 " 7.0 a.m. | Sat. 25 " 7.0 a.m. |
| 17 " | Bremen - - | Southampton | Mon. 27 " | Tues. 28 " 7.30 " | Tues. 28 " 1.45 p.m. | Tues. 28 " 4.30 p.m. | Tues. 28 " 7.0 " | Tues. 28 " 7.0 " |
| 18 " | City of Paris - | Queenstown | Mon. 27 " | Tues. 28 " 9.0 " | Tues. 28 " 7.0 a.m. | Tues. 28 " 12.45 p.m. | Tues. 28 " 7.0 " | Tues. 28 " 7.0 " |
| 21 " | Hammonia - | Southampton | Fri. 1 May | Fri. 1 May, 7.30 p.m. | Sat. 2 May, 7.0 a.m. | Sat. 2 May, 8.34 a.m. | Sat. 2 May, 8.34 a.m. | Sat. 2 May, 12.25 p.m. |
| 22 " | Russia - - | Queenstown | Fri. 1 " | Sat. 2 " 9.0 a.m. | Sat. 2 " 7.0 " | Sat. 2 " 7.18 " | Sat. 2 " 7.0 " | Fri. 1 " 7.55 " |
| 23 " | Weaser - - | Southampton | Mon. 4 " | Mon. 4 " 3.10 p.m. | Tues. 5 " 7.0 " | Tues. 5 " 8.28 " | Tues. 5 " 7.0 " | Tues. 5 " 12.2 " |
| 25 " | City of London | Queenstown | Wed. 6 " | Thurs. 7 " 9.0 a.m. | Thurs. 7 " 12.45 p.m. | Thurs. 7 " 8.16 " | Thurs. 7 " 8.16 " | Wed. 6 " 7.50 " |
| 26 " | Teutonia - - | Southampton | Mon. 11 " | Mon. 11 " 2.35 p.m. | Tues. 12 " 7.0 " | Tues. 12 " 8.18 " | Tues. 12 " 8.18 " | Tues. 12 " 7.0 a.m. |
| 29 " | Scotia - - | Queenstown | Fri. 8 " | Sat. 9 " 9.30 a.m. | Sat. 9 " 7.0 " | Sat. 9 " 7.30 p.m. | Sat. 9 " 7.0 a.m. | Sat. 9 " 7.0 " |
| 30 " | Hermann - - | Southampton | Sun. 10 " | Mon. 11 " 7.30 " | Mon. 11 " 1.30 p.m. | Mon. 11 " 12.35 p.m. | Mon. 11 " 7.8 a.m. | - - No Mail. |

* The hours given here are those at which the letters were sent out for delivery by letter carrier, but in many instances the holders of private boxes obtained their letters somewhat earlier.

STATEMENT showing the several **MAILS** Despatched from *New York* to the *United Kingdom* by Mail Packet during the Month of *May 1868*, the Period of Arrival in this Country, and the Time at which the Letters contained in such Mails were Delivered in *London, Liverpool, Manchester, Glasgow, and Belfast*.

| Date of Despatch. | Name of Packet. | Port of Arrival. | Date of Arrival. | * TIME OF DELIVERY OF LETTERS IN | | | | |
|-------------------|-------------------|------------------|------------------|----------------------------------|-----------------------|-------------------------|------------------------|--------------------------|
| | | | | London. | Liverpool. | Manchester. | Glasgow. | Belfast. |
| MAY: | | | | | | | | |
| May 2 | City of Baltimore | Queenstown | Tues. May 12 | Wed. 13 May, 9.0 a.m. | Wed. 13 May, 7.0 a.m. | Wed. 13 May, 11.0 a.m. | Wed. 13 May, 7.36 p.m. | Wed. 13 May, 7.0 a.m. |
| " 5 | Germania - | Southampton | Sat. " 16 | Sat. 16 " 7.25 " | Sun. 17 " 7.0 " | Sun. 17 " 7.0 " | Sun. 17 " 8.8 a.m. | Mon. 18 " 7.0 " |
| " 6 | Java - | Queenstown | Fri. " 16 | Sat. 16 " 9.0 " | Sat. 16 " 7.0 " | Sat. 16 " 7.0 " | Sat. 16 " 7.30 p.m. | Sat. 16 " 7.0 " |
| " 7 | Union - | Southampton | Sun. " 17 | Mon. 18 " 7.30 " | Mon. 18 " 2.0 p.m. | Mon. 18 " 12.45 p.m. | Tues. 19 " 7.20 a.m. | Tues. 19 " 7.0 " |
| " 9 | City of Boston - | Queenstown | Wed. " 20 | Thurs. 21 " 9.0 " | Thurs. 21 " 7.0 a.m. | Thurs. 21 " 12.45 " | Thurs. 21 " 7.30 p.m. | Thurs. 21 " 7.0 " |
| " 12 | Allemania - | Southampton | Sat. " 23 | Mon. 25 " 7.30 " | Mon. 25 " 7.0 " | Mon. 25 " 7.0 a.m. | Mon. 25 " 8.0 a.m. | Mon. 25 " 12.15 p.m. |
| " 13 | China - | Queenstown | Mon. " 25 | Tues. 26 " 7.45 p.m. | Tues. 26 " 4.0 p.m. | Tues. 26 " 4.30 p.m. | Wed. 27 " 8.15 " | Tues. 26 " 12.25 " |
| " 14 | New York - | Southampton | Mon. " 25 | Mon. 25 " 7.35 " | Mon. 25 " 1.30 " | Tues. 26 " 7.0 a.m. | Tues. 26 " 8.15 " | Tues. 26 " 12.25 " |
| " 16 | City of Antwerp | Queenstown | Mon. " 25 | Wed. 27 " 9.0 a.m. | Wed. 27 " 7.0 a.m. | Wed. 27 " 7.0 " | Wed. 27 " 8.15 " | Tues. 26 " 7.50 " |
| " 19 | Cimbria - | Southampton | Sat. " 30 | Sat. 30 " 7.30 " | Sat. 30 " 1.30 p.m. | Sat. 30 " 4.30 p.m. | Sun. 31 " 8.13 " | Sun. 31 " 8.0 a.m. |
| " 20 | Australasian - | Queenstown | Sat. " 30 | Mon. 1 June, 7.30 " | Sun. 31 " 7.0 a.m. | Sun. 31 " 7.0 a.m. | Sun. 31 " 8.13 " | Sat. 30 " 7.55 p.m. |
| " 21 | Deutschland - | Southampton | Sun. " 31 | Mon. 1 " 7.30 " | Mon. 1 June 2.7 p.m. | Mon. 1 June, 12.45 p.m. | Tues. 2 June, 7.5 " | - - No Mail. |
| " 23 | City of Paris - | Queenstown | Mon. June 1 | Wed. 3 " 7.30 " | Tues. 2 " 3.45 " | Wed. 3 " 7.0 a.m. | Wed. 3 " 8.14 " | Tues. 2 June, 12.20 p.m. |
| " 26 | Saxonia - | Southampton | Sun. " 7 | Mon. 8 " 7.0 " | Mon. 8 " 7.0 a.m. | Mon. 8 " 7.0 " | Mon. 8 " 8.10 " | Mon. 8 " 12.15 " |
| " 27 | Russia - | Queenstown | Fri. " 5 | Sat. 6 " 9.0 " | Sat. 6 " 7.0 " | Sat. 6 " 7.0 " | Sat. 6 " 7.8 " | Fri. 5 " 7.55 " |
| " 28 | Hansa - | Southampton | Mon. " 8 | Mon. 8 " 6.25 p.m. | Tues. 9 " 7.0 " | Tues. 9 " 7.0 " | Tues. 9 " 8.36 " | Tues. 9 " 12.25 " |
| " 30 | City of London - | Queenstown | Wed. " 10 | Thurs. 11 " 9.0 a.m. | Thurs. 11 " 7.0 " | Thurs. 11 " 12.45 p.m. | Thur. 11 " 7.28 p.m. | Thur. 11 " 7.0 a.m. |

* The hours given here are those at which the letters were sent out for delivery by letter carrier, but in many instances the holders of private boxes obtained their letters somewhat earlier.

STATEMENT showing the several **MAILS** Despatched from *New York* to the *United Kingdom* by Mail Packet during the Month of *June 1868*, the Period of Arrival in this Country, and the Time at which the Letters contained in such Mails were Delivered in *London, Liverpool, Manchester, Glasgow, and Belfast*.

| Date of Despatch. | Name of Packet. | Port of Arrival. | Date of Arrival. | * TIME OF DELIVERY OF LETTERS IN | | | | |
|-------------------|-------------------|------------------|------------------|----------------------------------|-------------------------|-------------------------|------------------------|-------------------------|
| | | | | London. | Liverpool. | Manchester. | Glasgow. | Belfast. |
| JUNE: | | | | | | | | |
| June 2 | Hammonia - | Southampton | Fri. 12 June | Sat. 13 June, 7.30 a.m. | Sat. 13 June, 1.30 p.m. | Sat. 13 June, 8.32 a.m. | Sun. 14 June, 8.0 a.m. | Sun. 14 June, 8.0 a.m. |
| " 3 | Scotia - | Queenstown | Fri. 12 " | Sat. 13 " 9.0 " | Sat. 13 " 7.0 a.m. | Sat. 13 " 7.24 p.m. | Sat. 13 " 9.0 " | Sat. 13 " 9.0 " |
| " 4 | Bremen - | Southampton | Mon. 15 " | Tues. 16 " 7.30 " | Tues. 16 " 1.30 p.m. | Tues. 16 " 7.15 a.m. | Wed. 17 " 7.0 " | Wed. 17 " 7.0 " |
| " 6 | City of Baltimore | Queenstown | Tues. 16 " | Wed. 17 " 9.0 " | Wed. 17 " 7.0 a.m. | Wed. 17 " 8.40 " | Wed. 17 " 7.0 " | Wed. 17 " 7.0 " |
| " 9 | Teutonia - | Southampton | Mon. 22 " | Mon. 22 " 1.30 p.m. | Tues. 23 " 7.0 " | Tues. 23 " 7.0 a.m. | Tues. 23 " 7.0 " | Tues. 23 " 7.0 " |
| " 10 | Java - | Queenstown | Fri. 19 " | Sat. 20 " 8.0 " | Sat. 20 July, 11.7 " | Sat. 20 " 12.45 p.m. | Sat. 20 " 1.15 " | Sat. 20 " 1.15 " |
| " 11 | America - | Southampton | Mon. 22 " | Mon. 22 " 7.30 " | Tues. 23 June, 7.0 " | Tues. 23 " 7.0 a.m. | Tues. 23 " 8.20 a.m. | Tues. 23 " 8.20 a.m. |
| " 13 | City of Boston - | Queenstown | Wed. 24 " | Th. 25 " 7.45 " | Wed. 24 " 4.6 p.m. | Thu. 25 " 7.0 " | Thu. 25 " 8.20 " | Wed. 24 " 12.15 " |
| " 16 | Germania - | Southampton | Sat. 27 " | Mon. 29 " 7.30 a.m. | Mon. 29 " 7.0 a.m. | Mon. 29 " 7.0 " | Mon. 29 " 8.10 " | Mon. 29 " 12.5 " |
| " 17 | Cuba - | Queenstown | Fri. 26 " | Sat. 27 " 7.45 p.m. | Sat. 27 " 4.10 p.m. | Sat. 27 " 4.30 p.m. | Sun. 28 " 8.10 " | Sat. 27 " 12.15 " |
| " 18 | Weser - | Southampton | Sun. 28 " | Mon. 29 " 7.30 a.m. | Mon. 29 " 1.30 " | Mon. 29 " 12.45 " | Tues. 30 " 7.5 " | Tues. 30 " 7.0 a.m. |
| " 20 | City of Antwerp | Queenstown | Tues. 30 " | Wed. 1 July 9.0 " | Wed. 1 July, 7.0 a.m. | Wed. 1 July, 12.45 " | Wed. 1 July, 7.15 " | - - No Mail. |
| " 23 | Allemania - | Southampton | Sat. 4 July | Mon. 6 " 7.30 " | Mon. 6 " 7.0 " | Mon. 6 " 7.0 a.m. | Mon. 6 " 8.4 " | Mon. 6 July, 12.15 p.m. |
| " 24 | Australasian - | Queenstown | Sat. 4 " | Mon. 6 " 7.30 " | Sun. 5 " 7.0 " | Sun. 5 " 7.0 " | Mon. 6 " 8.4 p.m. | Sun. 5 " 8.0 a.m. |
| " 25 | Hermann - | Southampton | Mon. 6 " | Tues. 7 " 7.30 " | Tues. 7 " 1.30 p.m. | Tues. 7 " 12.45 p.m. | Wed. 8 " 7.14 a.m. | Wed. 8 " 7.0 " |
| " 27 | City of Paris - | Queenstown | Tues. 7 " | Wed. 8 " 9.0 " | Wed. 8 " 7.0 a.m. | Wed. 8 " 12.45 " | Wed. 8 " 7.14 " | Wed. 8 " 7.0 " |
| " 30 | Holsatia - | Southampton | Fri. 10 " | Fri. 10 " 12.30 p.m. | Sat. 11 " 7.0 a.m. | Sat. 11 " 7.0 a.m. | Sat. 11 " 8.20 " | Sat. 11 " 5.10 p.m. |

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STATEMENT showing the several MAILS Despatched from *New York* to the *United Kingdom* by Mail Packet during the Month of July 1868, the Period of Arrival in this Country, and the Time at which the Letters contained in such Mails were Delivered in *London, Liverpool, Manchester, Glasgow, and Belfast.*

| Date of Despatch. | Name of Packet. | Port of Arrival. | Date of Arrival. | • TIME OF DELIVERY OF LETTERS IN | | | | |
|-------------------|-------------------|------------------|------------------|----------------------------------|------------------------|-------------------------|------------------------|------------------------|
| | | | | London. | Liverpool. | Manchester. | Glasgow. | Belfast. |
| JULY: | | | | | | | | |
| July 1 | Russia - | Queenstown | Fri. 10 July | Sat. 11 July, 9.0 a.m. | Sat. 11 July, 7.0 a.m. | Sat. 11 July, 7.25 p.m. | Sat. 11 July, 7.0 a.m. | Sat. 11 July, 7.0 a.m. |
| " 2 | Union - | Southampton | Mon. 13 | Mon. 13 " 2.28 p.m. | Tues. 14 " 7.0 " | Tues. 14 " 8.17 a.m. | Tues. 14 " 7.0 " | Tues. 14 " 12.17 p.m. |
| " 4 | City of London - | Queenstown | Tues. 14 | Thurs. 16 " 9.0 a.m. | Thurs. 16 " 7.0 " | Thurs. 16 " 7.8 " | Thurs. 16 " 7.0 " | Thurs. 16 " 7.0 a.m. |
| " 7 | Cimbria - | Southampton | Fri. 17 | Sat. 18 " 7.30 " | Sat. 18 " 1.38 p.m. | Sun. 19 " 8.16 " | Sun. 19 " 4.30 p.m. | Sun. 19 " 8.0 " |
| " 8 | Scotia - | Queenstown | Fri. 17 | Sat. 18 " 7.55 p.m. | Sat. 18 " 11.10 a.m. | Sun. 19 " 8.16 " | Sat. 18 " 4.30 " | Sat. 18 " 12.25 p.m. |
| " 9 | Deutschland - | Southampton | Mon. 20 | Tues. 21 " 7.30 a.m. | Tues. 21 " 1.40 p.m. | Wed. 22 " 7.0 " | Tues. 21 " 12.45 " | Wed. 22 " 7.0 a.m. |
| " 11 | City of Baltimore | Queenstown | Tues. 21 | Wed. 22 " 7.45 p.m. | Wed. 22 " 4.5 " | Thurs. 23 " 8.18 " | Thurs. 23 " 7.0 a.m. | Wed. 22 " 12.11 p.m. |
| " 14 | Saxonia - | Southampton | Sun. 26 | Mon. 27 " 7.30 a.m. | Mon. 27 " 1.40 " | Tues. 28 " 7.0 " | Mon. 27 " 12.45 p.m. | Tues. 28 " 7.0 a.m. |
| " 15 | China - | Queenstown | Fri. 24 | Mon. 27 " 7.30 " | Sat. 25 " 7.45 " | Sun. 26 " 8.17 " | Sun. 26 " 7.0 a.m. | Sun. 26 " 8.0 " |
| " 16 | Hansa - | Southampton | Tues. 28 | Tues. 28 " 12.20 p.m. | Wed. 29 " 7.0 a.m. | Wed. 29 " 8.30 " | Wed. 29 " 7.0 " | - No Mail. |
| " 18 | City of Boston - | Queenstown | Tues. 28 | Thurs. 30 " 9.0 a.m. | Thurs. 30 " 7.0 " | Thurs. 30 " 7.10 " | Thurs. 30 " 7.0 " | - No Mail. |
| " 21 | Hammonia - | Southampton | Sat. 1 Aug. | Sat. 1 Aug. 9.0 " | Sat. 1 Aug. 4.20 p.m. | Sun. 2 Aug. 8.38 " | Sat. 1 Aug. 4.30 p.m. | Mon. 3 Aug. 7.0 a.m. |
| " 22 | Cuba - | Queenstown | Sat. 1 | Mon. 3 " 7.30 " | Sun. 2 " 7.0 a.m. | Sun. 2 " 8.38 " | Sun. 2 " 7.0 a.m. | Sat. 1 " 8.5 p.m. |
| " 23 | Bremer - | Southampton | Tues. 4 | Tues. 4 " 5.30 p.m. | Wed. 5 " 7.0 " | Wed. 5 " 8.37 " | Wed. 5 " 7.0 " | - No Mail. |
| " 25 | City of Antwerp | Queenstown | Tues. 4 | Wed. 5 " 7.30 " | Wed. 5 " 1.34 p.m. | Thurs. 6 " 7.9 " | Thurs. 6 " 7.0 " | Wed. 5 Aug. 12.30 p.m. |
| " 28 | Germania - | Southampton | Sat. 8 | Mon. 10 " 7.30 a.m. | Mon. 10 " 7.0 a.m. | Mon. 10 " 8.16 " | Mon. 10 " 7.0 " | Mon. 10 " 12.15 " |
| " 29 | Java - | Queenstown | Fri. 7 | Sat. 8 " 9.0 " | Sat. 8 " 7.0 " | Sat. 8 " 7.20 p.m. | Sat. 8 " 7.0 " | Sat. 8 " 7.0 a.m. |
| " 30 | America - | Southampton | Mon. 10 | Mon. 10 " 3.30 p.m. | Tues. 11 " 7.0 " | Tues. 11 " 8.57 a.m. | Tues. 11 " 7.0 " | Tues. 11 " noon. |

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STATEMENT showing the several **MAILS** Despatched from *New York* to the *United Kingdom* by Mail Packet during the Month of August 1868, the Period of Arrival in this Country, and the Time at which the Letters contained in such Mails were Delivered in *London, Liverpool, Manchester, Glasgow, and Belfast*.

| Date of Despatch. | Name of Packet. | Port of Arrival. | Date of Arrival. | * TIME OF DELIVERY OF LETTERS IN | | | | | | |
|-------------------|-------------------|------------------|------------------|----------------------------------|-------------------------|--------------------------|------------------------|------------------------|--|--|
| | | | | London. | Liverpool. | Manchester. | Glasgow. | Belfast. | | |
| AUGUST: | | | | | | | | | | |
| Aug. 1 | City of Paris | Queenstown | Mon. 10 Aug. | Tues. 11 Aug. 8.0 p.m. | Tues. 11 Aug. 11.8 a.m. | Tues. 11 Aug. 12.45 p.m. | Wed. 12 Aug. 7.16 a.m. | Tues. 11 Aug. noon. | | |
| " 4 | Allemania | Southampton | Sun. 16 " | Mon. 17 " 7.30 a.m. | Mon. 17 " 7.0 " | Mon. 17 " 7.0 a.m. | Mon. 17 " 8.8 " | Mon. 17 " 12.15 p.m. | | |
| " 5 | Australasian | Queenstown | Fri. 14 " | Sat. 15 " 7.55 p.m. | Sat. 16 " 4.10 p.m. | Sat. 15 " 4.30 p.m. | Sun. 16 " 8.26 " | Sat. 15 " 12.20 " | | |
| " 6 | Weser | Southampton | Sun. 16 " | Mon. 17 " 7.30 a.m. | Mon. 17 " 1.30 " | Mon. 17 " 4.30 " | Tues. 18 " 7.5 " | Tues. 18 " 7.0 a.m. | | |
| " 8 | City of London | Queenstown | Tues. 18 " | Wed. 19 " 9.0 " | Wed. 19 " 7.0 a.m. | Wed. 19 " 12.45 " | Wed. 19 " 7.26 p.m. | Wed. 19 " 7.0 " | | |
| " 11 | Holatia | Southampton | Fri. 21 " | Fri. 21 " 5.30 p.m. | Sat. 22 " 7.0 " | Sat. 22 " 7.0 a.m. | Sat. 22 " 8.29 a.m. | Sat. 22 " 12.16 p.m. | | |
| " 12 | Scotia | Queenstown | Fri. 21 " | Sat. 22 " 9.0 a.m. | Fri. 21 " 7.30 p.m. | Sat. 22 " 7.0 " | Sat. 22 " 7.15 " | Fri. 21 " 8.0 " | | |
| " 13 | Hermann | Southampton | Mon. 24 " | Tues. 25 " 7.30 " | Tues. 25 " 1.30 " | Tues. 25 " 12.45 p.m. | Wed. 26 " 7.8 " | - - No Mail. | | |
| " 15 | City of Baltimore | Queenstown | Tues. 25 " | Wed. 26 " 9.0 " | Wed. 26 " 7.0 a.m. | Wed. 26 " 12.45 " | Wed. 26 " 7.26 p.m. | Wed. 26 Aug. 7.0 a.m. | | |
| " 18 | Cimbria | Southampton | Fri. 28 " | Sat. 29 " 7.30 " | Sat. 29 " 1.30 p.m. | Sat. 29 " 12.45 " | Sun. 30 " 8.45 a.m. | Sun. 30 " 8.0 " | | |
| " 19 | Russia | Queenstown | Fri. 28 " | Sat. 29 " 9.0 " | Sat. 29 " 7.0 a.m. | Sat. 29 " 7.0 a.m. | Sat. 29 " 7.0 " | Fri. 28 " 7.55 p.m. | | |
| " 20 | Union | Southampton | Mon. 31 " | Mon. 31 " 4.35 p.m. | Tues. 1 Sept. 7.0 " | Tues. 1 Sept. 7.0 " | Tues. 1 Sept. 8.5 " | Tues. 1 Sept. 0.30 " | | |
| " 22 | City of Boston | Queenstown | Tues. 1 Sept. | Wed. 2 Sept. 7.30 " | Wed. 2 " 6.0 p.m. | Thurs. 3 " 7.0 " | Thurs. 3 " 8.34 " | - - No Mail. | | |
| " 25 | Saxonia | Southampton | Sat. 5 " | Mon. 7 " 7.30 a.m. | Mon. 7 " 7.0 a.m. | Mon. 7 " 7.0 " | Mon. 7 " 8.21 " | Mon. 7 Sept. 0.20 p.m. | | |
| " 26 | China | Queenstown | Fri. 4 " | Sat. 5 " 9.0 " | Sat. 5 " 7.0 " | Sat. 5 " 7.0 " | Sat. 5 " 7.25 p.m. | Sat. 5 " 7.0 a.m. | | |
| " 27 | New York | Southampton | Tues. 8 " | Wed. 9 " 7.30 " | Wed. 9 " 1.28 p.m. | Wed. 9 " 0.45 p.m. | Thurs. 10 " 7.3 a.m. | Thurs. 10 " 7.0 " | | |
| " 29 | City of Antwerp | Queenstown | Tues. 8 " | Wed. 9 " 9.0 " | Wed. 9 " 7.0 a.m. | Wed. 9 " 0.45 " | Wed. 9 " 7.25 p.m. | Wed. 9 " 7.0 " | | |

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STATEMENT showing the several **MAILS** Despatched from *New York* to the *United Kingdom* by Mail Packet during the Month of September 1868, the Period of Arrival in this Country, and the Time at which the Letters contained in such Mails were Delivered in *London, Liverpool, Manchester, Glasgow, and Belfast.*

| Date of Despatch. | Name of Packet. | Port of Arrival. | Date of Arrival. | * TIME OF DELIVERY OF LETTERS IN | | | | |
|-------------------|-------------------|------------------|------------------|----------------------------------|-------------------------|-------------------------|-------------------------|------------------------|
| | | | | London. | Liverpool. | Manchester. | Glasgow. | Belfast. |
| Sept. 1 | Hammonia | Southampton | Fri. 11 Sep. | Sat. 12 Sep. 7.30 a.m. | Sat. 12 Sept. 1.35 p.m. | Sat. 12 Sept. 4.30 p.m. | Sun. 13 Sept. 8.10 a.m. | Sun. 13 Sept. 8.0 a.m. |
| " 2 | Cuba | Queenstown | Fri. 11 " | Sat. 12 " 7.35 p.m. | Sat. 12 " 4.15 " | Sat. 12 " 4.30 " | Sun. 13 " 8.10 " | Sat. 12 " 0.30 p.m. |
| " 3 | Deutschland | Southampton | Tues. 15 " | Tues. 15 " 8.30 " | Wed. 16 " 7.0 a.m. | Wed. 16 " 7.0 a.m. | Wed. 16 " 8.32 " | - No Mail. |
| " 5 | City of Paris | Queenstown | Mon. 14 " | Tues. 15 " 8.0 " | Tues. 15 " 1.30 p.m. | Tues. 15 " 4.30 p.m. | Wed. 16 " 7.5 " | Tues. 15 " 0.20 " |
| " 8 | Germania | Southampton | Sun. 20 " | Mon. 21 " 7.30 a.m. | Mon. 21 " 7.0 a.m. | Mon. 21 " 7.0 a.m. | Mon. 21 " 8.12 " | Mon. 21 " 0.20 " |
| " 9 | Java | Queenstown | Fri. 18 " | Sat. 19 " 7.55 p.m. | Sat. 19 " 4.3 p.m. | Sat. 19 " 4.30 p.m. | Sun. 20 " 8.44 " | Sat. 19 " 0.30 " |
| " 10 | Hansa | Southampton | Mon. 21 " | Mon. 21 " 5.30 " | Tues. 22 " 7.0 a.m. | Tues. 22 " 7.0 a.m. | Tues. 22 " 8.42 " | Thurs. 24 " 8.0 " |
| " 12 | City of London | Queenstown | Thurs. 24 " | Fri. 25 " 9.0 a.m. | Fri. 25 " 7.0 " | Fri. 25 " 0.45 p.m. | Fri. 25 " 7.10 " | Fri. 25 " 7.0 a.m. |
| " 15 | Allemannia | Southampton | Sun. 27 " | Mon. 28 " 7.30 " | Mon. 28 " 1.30 p.m. | Mon. 28 " 0.45 " | Tues. 29 " 7.12 " | Tues. 29 " 7.0 " |
| " 16 | Scotia | Liverpool† | Sat. 26 " | Mon. 28 " 7.30 " | Sun. 27 " 7.0 a.m. | Sun. 27 " 7.0 a.m. | Sun. 27 " 8.28 " | - No Mail. |
| " 17 | America | Southampton | Tues. 29 " | Tues. 29 " 8.50 p.m. | Wed. 30 " 7.0 " | Wed. 30 " 7.0 " | Wed. 30 " 8.30 " | - No Mail. |
| " 19 | City of Baltimore | Queenstown | Tues. 29 " | Wed. 30 " 9.0 a.m. | Wed. 30 " 7.0 " | Wed. 30 " 0.45 p.m. | Thurs. 1 Oct. 7.10 " | - No Mail. |
| " 22 | Holsatia | Southampton | Fri. 2 Oct. | Sat. 3 Oct. 7.30 " | Sat. 3 Oct. 1.30 p.m. | Sat. 3 Oct. 0.45 " | Sun. 4 " 7.25 " | Sat. 3 Oct. 7.0 a.m. |
| " 28 | Russia | Queenstown | Fri. 2 " | Sat. 3 " 9.0 " | Sat. 3 " 7.0 a.m. | Sat. 3 " 7.0 a.m. | Sun. 4 " 8.25 " | Sun. 4 " 8.0 " |
| " 24 | Weser | Southampton | Mon. 5 " | Mon. 5 " 11.30 " | Tues. 6 " 7.0 " | Tues. 6 " 7.0 " | Tues. 6 " 8.36 " | Tues. 6 " noon. |
| " 26 | City of Boston | Queenstown | Tues. 6 " | Wed. 7 " 7.50 p.m. | Wed. 7 " 6.0 p.m. | Thurs. 8 " 7.0 " | Thurs. 8 " 8.17 " | - No Mail. |
| " 29 | Cimbria | Southampton | Fri. 9 " | Sat. 10 " 7.30 a.m. | Sat. 10 " 1.40 " | Sat. 10 " 0.45 p.m. | Sun. 11 " 8.25 " | Sun. 11 Oct. 8.0 a.m. |
| " 30 | China | Queenstown | Fri. 9 " | Sat. 10 " 7.45 p.m. | Sat. 10 " 6.8 " | Sat. 10 " 4.30 " | Sun. 11 " 8.25 " | Sat. 10 " 0.28 p.m. |

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 † Packet prevented from calling at Queenstown by bad weather.

STATEMENT showing the several **MAILS** Despatched from *New York* to the *United Kingdom* by Mail Packet during the Month of October 1868, the Period of Arrival in this Country, and the Time at which the Letters contained in such Mails were Delivered in *London, Liverpool, Manchester, Glasgow, and Belfast.*

| Date of Despatch. | Name of Packet. | Port of Arrival. | Date of Arrival. | * TIME OF DELIVERY OF LETTERS IN | | | | | | |
|-------------------|-------------------|------------------|------------------|----------------------------------|------------------------|------------------------|-------------------------|-------------------------|-------------------------|--|
| | | | | London. | Liverpool. | Manchester. | Glasgow. | Belfast. | | |
| OCTOBER: | | | | | | | | | | |
| Oct. 1 | Hermann - | Southampton | Tues. 13 Oct. | Wed. 14 Oct. 7.0 a.m. | Wed. 14 Oct. 1.30 p.m. | Wed. 14 Oct. 0.45 p.m. | Thurs. 15 Oct. 7.0 a.m. | Thurs. 15 Oct. 7.0 a.m. | Thurs. 15 Oct. 7.0 a.m. | |
| " | City of Antwerp | Queenstown | Tues. 13 " | Wed. 14 " 8.0 p.m. | Wed. 14 " 4.4 " | Thurs. 15 " 7.0 a.m. | Thurs. 15 " 8.0 " | Thurs. 15 " 8.0 " | Wed. 14 " 0.20 p.m. | |
| " | Westphalia - | Southampton | Fri. 16 " | Sat. 17 " 7.30 a.m. | Sat. 17 " 1.37 " | Sat. 17 " 0.45 p.m. | Sun. 18 " 8.40 " | Sun. 18 " 8.40 " | Sun. 18 " 8.0 a.m. | |
| " | Cuba - | Queenstown - | Fri. 16 " | Sat. 17 " 8.0 p.m. | Sat. 17 " 1.37 " | Sat. 17 " 4.30 " | Sun. 18 " 8.40 " | Sun. 18 " 8.40 " | Sat. 17 " 0.2 p.m. | |
| " | Union - | Southampton | Sun. 18 " | Mon. 19 " 9.0 a.m. | Mon. 19 " 1.30 " | Mon. 19 " 4.30 " | Tues. 20 " 7.8 " | Tues. 20 " 7.8 " | - - No Mail. | |
| " | City of Paris - | Queenstown - | Mon. 19 " | Tues. 20 " 9.0 " | Tues. 20 " 7.0 a.m. | Tues. 20 " 0.45 " | Tues. 20 " 7.25 p.m. | Tues. 20 Oct. 7.0 a.m. | Tues. 20 Oct. 7.0 a.m. | |
| " | Hammonia - | Southampton | Fri. 23 " | Sat. 24 " 7.30 " | Sat. 24 " 1.30 p.m. | Sat. 24 " 0.45 " | Sun. 25 " 8.25 a.m. | Mon. 26 " 7.0 " | Mon. 26 " 7.0 " | |
| " | Java - | Queenstown - | Fri. 23 " | Sat. 24 " 9.0 " | Sat. 24 " 7.0 a.m. | Sat. 24 " 7.0 a.m. | Sat. 24 " 7.30 p.m. | Sat. 24 " 7.0 " | Sat. 24 " 7.0 " | |
| " | Bremen - | Southampton | Mon. 26 " | Mon. 26 " 4.45 p.m. | Tues. 27 " 7.0 " | Tues. 27 " 7.0 " | Tues. 27 " 8.30 a.m. | Tues. 27 " 0.28 p.m. | Tues. 27 " 0.28 p.m. | |
| " | City of London - | Queenstown - | Tues. 27 " | Wed. 28 " 9.0 a.m. | Wed. 28 " 7.0 " | Wed. 28 " 0.45 p.m. | Wed. 28 " 7.18 " | Wed. 28 " 7.0 a.m. | Wed. 28 " 7.0 a.m. | |
| " | Germania - | Southampton | Sat. 31 " | Mon. 2 Nov. 7.30 " | Mon. 2 Nov. 7.0 " | Mon. 2 Nov. 7.0 a.m. | Mon. 2 Nov. 8.8 " | Sat. 31 " 7.55 p.m. | Sat. 31 " 7.55 p.m. | |
| " | Scotia - | Queenstown - | Sat. 31 " | Mon. 2 " 7.30 " | Sun. 1 " 7.0 " | Sun. 1 " 7.0 " | Sun. 1 " 9.53 " | Sat. 31 " 8.0 " | Sat. 31 " 8.0 " | |
| " | Deutschland - | Southampton | Sun. 1 Nov. | Mon. 2 " 7.30 " | Mon. 2 " 1.30 p.m. | Mon. 2 " 0.45 p.m. | Mon. 2 " 7.4 " | Tues. 3 Nov. 7.0 a.m. | Tues. 3 Nov. 7.0 a.m. | |
| " | City of Baltimore | Queenstown - | Mon. 2 " | Tues. 3 " 8.0 p.m. | Tues. 3 " 4.10 " | Wed. 4 " 7.0 a.m. | Wed. 4 " 8.45 " | Tues. 3 " 0.15 p.m. | Tues. 3 " 0.15 p.m. | |
| " | Allemania - | Southampton | Sat. 7 " | Sat. 7 " 4.30 " | Sun. 8 " 7.0 a.m. | Sun. 8 " 7.0 " | Sun. 8 " 8.30 " | Mon. 9 " 9.0 a.m. | Mon. 9 " 9.0 a.m. | |
| " | Russia - | Queenstown - | Fri. 6 " | Sat. 7 " 9.0 a.m. | Sat. 7 " 7.0 " | Sat. 7 " 7.0 " | Sat. 7 " 8.39 " | Fri. 6 " 8.0 p.m. | Fri. 6 " 8.0 p.m. | |
| " | Rhein - | Southampton | Sun. 8 " | Mon. 9 " 7.30 " | Mon. 9 " 1.30 p.m. | Mon. 9 " 0.45 " | Tues. 10 " 7.12 " | Wed. 11 " 0.30 " | Wed. 11 " 0.30 " | |
| " | City of Boston - | Queenstown - | Wed. 11 " | Thurs. 12 " 7.55 p.m. | Thurs. 12 " 4.15 " | Fri. 13 " 7.0 " | Fri. 13 " 7.0 " | Thurs. 12 " 0.20 " | Thurs. 12 " 0.20 " | |

* The hours given here are those at which the letters were sent out for delivery by letter carrier, but in many instances the holders of private boxes obtained their letters somewhat earlier.

STATEMENT showing the several *MAILS* Despatched from *New York* to the *United Kingdom* by Mail Packet during the Month of November 1868, the Period of Arrival in this Country, and the Time at which the Letters contained in such Mails were delivered in *London, Liverpool, Manchester, Glasgow, and Belfast.*

| Date of Despatch | Name of Packet. | Port of Arrival. | Date of Arrival. | * TIME OF DELIVERY OF LETTERS IN | | | | | |
|------------------|-------------------|------------------|------------------|----------------------------------|-----------------------|------------------------|------------------------|----------|--|
| | | | | London. | Liverpool. | Manchester. | Glasgow. | Belfast. | |
| NOVEMBER: | | | | | | | | | |
| Nov. 3 | Holatia - | Southampton | Fri. 13 Nov. | Fri. 13 Nov. 0.55 p.m. | Sat. 14 Nov. 7.0 a.m. | Sat. 14 Nov. 8.29 a.m. | Sat. 14 Nov. 0.20 p.m. | | |
| " 4 | China - | Queenstown - | Fri. 13 " | Sat. 14 " 7.40 " | Sat. 14 " 4.30 p.m. | Sun. 15 " 8.23 " | Sat. 14 " 0.20 " | | |
| " 5 | Hansa - | Southampton | Wed. 16 " | Thurs. 19 " 7.30 a.m. | Thurs. 19 " 0.45 " | Thurs. 19 " 7.10 " | Fri. 20 " 7.20 a.m. | | |
| " 7 | City of Antwerp | Queenstown - | Wed. 16 " | Fri. 20 " 9.0 " | Fri. 20 " 0.45 " | Fri. 20 " 7.10 " | Thurs. 19 " 8.20 p.m. | | |
| " 10 | Cimbria - | Southampton | Sat. 21 " | Sat. 21 " 1.30 p.m. | Sun. 22 " 7.0 " | Sun. 22 " 8.23 " | Mon. 23 " 7.0 a.m. | | |
| " 11 | Cuba - | Liverpool † | Sun. 22 " | Mon. 23 " 7.30 a.m. | Mon. 23 " 7.0 " | Mon. 23 " 8.10 " | Mon. 23 " 0.10 p.m. | | |
| " 12 | America - | Southampton | Mon. 23 " | Tues. 24 " 7.30 " | Tues. 24 " 0.45 p.m. | Wed. 25 " 7.12 " | Wed. 25 " 0.20 " | | |
| " 14 | City of Paris - | Queenstown - | Mon. 28 " | Tues. 24 " 7.45 p.m. | Tues. 24 " 1.30 " | Wed. 25 " 7.12 " | Tues. 24 " 0.20 " | | |
| " 17 | Westphalia - | Southampton | Fri. 27 " | Sat. 28 " 7.30 a.m. | Sat. 28 " 1.30 " | Sat. 28 " 0.45 " | Sun. 29 " 8.0 a.m. | | |
| " 18 | Java - | Queenstown - | Fri. 27 " | Sat. 28 " 9.0 " | Sat. 28 " 7.0 a.m. | Sat. 28 " 7.29 p.m. | Sat. 28 " 7.0 " | | |
| " 19 | Weser - | Southampton | Mon. 30 " | Mon. 30 " 0.50 p.m. | Tues. 1 Dec. 7.4 " | Tues. 1 Dec. 8.35 a.m. | Tues. 1 Dec. 0.29 p.m. | | |
| " 21 | City of London | Queenstown | Tues. 1 Dec. | Thurs. 3 Dec. 9.0 a.m. | Thurs. 3 " 7.0 " | Thurs. 3 " 8.30 " | Wed. 2 " | | |
| " 24 | Hammonia - | Southampton | Sun. 6 " | Mon. 7 " 7.30 " | Mon. 7 " 7.0 a.m. | Mon. 7 " 8.30 " | No Mail. | | |
| " 25 | Scotia - | Queenstown - | Sat. 5 " | Mon. 7 " 7.30 " | Sun. 6 " 7.0 " | Mon. 7 " 8.30 " | Sun. 6 Dec. 8.0 a.m. | | |
| " 26 | Hermann - | Southampton | Mon. 7 " | Mon. 7 " 4.30 p.m. | Tues. 8 " 7.0 " | Tues. 8 " 8.43 " | Tues. 8 " 0.25 p.m. | | |
| " 28 | City of Baltimore | Queenstown - | Tues. 8 " | Thurs. 10 " 10.0 a.m. | Wed. 9 " 7.46 " | Thurs. 10 " 8.10 " | Wed. 9 " 7.55 " | | |

* The hours given here are those at which the letters were sent out for delivery by letter carrier, but in many instances the holders of private boxes obtained their letters somewhat earlier.
 † Packet prevented from calling at Queenstown by bad weather.

STATEMENT showing the several *MAILS* Despatched from *New York* to the *United Kingdom* by Mail Packet during the Month of December 1868, the Period of Arrival in this Country, and the Time at which the Letters contained in such Mails were delivered in *London, Liverpool, Manchester, Glasgow, and Belfast.*

| Date of Despatch. | Name of Packet. | Port of Arrival. | Date of Arrival. | * TIME OF DELIVERY OF LETTERS IN | | | | |
|-------------------|-------------------|------------------|------------------|----------------------------------|------------------------|-------------------------|------------------------|----------|
| | | | | London. | Liverpool. | Manchester. | Glasgow. | Belfast. |
| DECEMBER: | | | | | | | | |
| Dec. 1 | Germania - | Southampton | Sun. 13 Dec. | Mon. 14 Dec. 7.30 a.m. | Mon. 14 Dec. 7.0 a.m. | Mon. 14 Dec. 8.17 a.m. | Mon. 14 Dec. 4.15 p.m. | |
| " 2 | Russia - | Queenstown | Fri. 11 " | Sat. 12 " 9.0 " | Sat. 12 " 7.0 " | Sun. 13 " 8.20 " | Sat. 12 " 7.0 a.m. | |
| " 3 | Union - | Southampton | Mon. 14 " | Tues. 15 " 4.15 p.m. | Wed. 16 " 7.0 " | Wed. 16 " 8.43 " | Wed. 16 " noon. | |
| " 5 | † City of Boston. | - | - | - | - | - | - | |
| " 8 | Borussia - | Southampton | † | Mon. 28 Dec. 7.30 a.m. | Mon. 28 Dec. 0.45 p.m. | Tues. 29 Dec. 7.7 a.m. | - No Mail. | |
| " 9 | China - | Queenstown | Fri. 18 Dec. | Sat. 19 " 7.45 p.m. | Sat. 19 " 4.30 " | - | Sat. 19 Dec. noon. | |
| " 10 | Deutschland - | Southampton | Sun. 20 " | Mon. 21 " 7.30 a.m. | Mon. 21 " 0.45 " | Tues. 22 Dec. 7.20 a.m. | Tues. 22 " 7.0 a.m. | |
| " 12 | City of Antwerp | Queenstown | Mon. 21 " | Wed. 23 " 9.0 " | Wed. 23 " 7.0 a.m. | Wed. 23 " 7.20 " | - No Mail. | |
| " 15 | Holatia - | Southampton | Fri. 25 " | Sat. 26 " 7.30 " | Sat. 26 " 7.15 " | Sat. 26 " 8.32 " | - No Mail. | |
| " 16 | Cuba - | Queenstown | Fri. 25 " | Sat. 26 " 7.45 p.m. | Sat. 26 " 3.55 p.m. | Sun. 27 " 8.10 " | Sat. 26 Dec. 0.20 p.m. | |
| " 17 | Rhein - | Southampton | Sat. 26 " | Mon. 28 " 7.30 a.m. | Mon. 28 " 7.0 a.m. | Mon. 28 " 8.45 " | Tues. 29 " 7.0 a.m. | |
| " 19 | City of Paris - | Queenstown | Mon. 28 " | Tues. 29 " 7.40 p.m. | Tues. 29 " 1.33 p.m. | Wed. 30 " 7.15 " | Tues. 29 " 0.21 p.m. | |
| | | | | | | | 1869: | 1869: |
| " 22 | Cimbria - | Southampton | Fri. 1 Jan. | Sat. 2 Jan. 7.30 a.m. | Sat. 2 Jan. 1.30 p.m. | Sun. 3 Jan. 8.48 a.m. | Sun. 3 Jan. 8.0 a.m. | |
| " 23 | Java - | Queenstown | Fri. 1 " | Sat. 2 " 7.30 p.m. | Sat. 2 " 1.30 " | Sun. 3 " 8.48 " | Sat. 2 " 7.0 " | |
| " 24 | Main - | Southampton | Sun. 3 " | Mon. 4 " 7.30 a.m. | Mon. 4 " 1.30 " | Tues. 5 " 7.7 " | Tues. 5 " 7.0 " | |
| " 27 | City of London - | Queenstown | Tues. 5 " | Thurs. 7 " 9.0 " | Thurs. 7 " 7.0 a.m. | Thurs. 7 " 7.5 " | Thurs. 7 " 7.0 " | |
| " 29 | Westphalia - | Southampton | Fri. 8 " | Sat. 9 " 7.30 " | Sat. 9 " 1.30 p.m. | Sun. 10 " 8.34 " | - No Mail. | |
| " 30 | Australasian - | Queenstown | Sat. 9 " | Mon. 11 " 7.30 " | Sun. 10 " 7.0 a.m. | Mon. 11 " 8.6 " | Sun. 10 Jan. 8.0 a.m. | |
| " 31 | America - | Southampton | Mon. 11 " | Tues. 12 " 7.30 " | Tues. 12 " 1.30 p.m. | Wed. 13 " 7.15 " | - No Mail. | |

* The hours given here are those at which the letters were sent out for delivery by letter carrier, † Grounded in New York Harbour. Mails transferred to "China" and "Borussia," but in many instances the holders of private boxes obtained their letters somewhat earlier. ‡ Vessel arrived disabled, and landed her Mails at Portland on 28th December.

460

AVERAGE LENGTH of the VOYAGES performed by the several Lines of CONTRACT STEAMERS conveying the AMERICAN MAILS in 1868.

| OUTWARDS : | D. H. M. |
|---|-----------|
| Cunard (Queenstown and New York, 2,780 nautical miles) - - - - | 10 9 15 |
| Inman (ditto - ditto - -) - - - - - - - - - - | 10 21 45 |
| North German Lloyd (Southampton and New York, 3,075 nautical miles) - | 11 17 15 |
| Hamburg-American Steam Packet Company, ditto - - - - - | *11 10 30 |
| HOMEWARDS : | |
| Cunard - | 9 11 15 |
| Inman - . - - - - - - - - - - - - - - - - - - - | 9 21 30 |
| North German Lloyd - - - - - - - - - - - - - - | 10 15 15 |
| Hamburg-American Steam Packet Company - - - - - - - - | †10 20 45 |

* The average of 38 voyages, ending with that completed on the 9th November, which was the last one performed under contract, and the last one for which official Returns were rendered.

† The average of 20 voyages. No official returns received since June.

RETURN showing the Time of ARRIVAL of the OUTWARD CUNARD and INMAN PACKETS at Queenstown, in the Year 1868, the Time of ARRIVAL of the MAILS intended for those Packets, and the Time of their Embarkation, and the Number of Occasions out of the whole Number of Mails on which the Ship had to wait for the Mail.

STATEMENT showing the Time of Arrival of the OUTWARD CUNARD PACKETS at Queenstown, and the Time of Arrival of the MAILS, and of their Embarkation in 1868.

| Name of Packet. | Arrived at Queenstown. | Mail arrived from Cork (due 2.40 P.M.) | Mail Embarked. |
|------------------------|------------------------|--|------------------|
| Australasian - - - - - | 5 Jan. 10.35 a.m. | 5 Jan. 2.50 p.m. | 5 Jan. 3.25 p.m. |
| Siberia - - - - - | 12 " 8.30 " | 12 " 2.43 " | 12 " 3.25 " |
| Russia - - - - - | 19 " 4.32 p.m. | 19 " 3.45 " | 19 " 5.30 " |
| Java - - - - - | 26 " 8.40 a.m. | 26 " 2.45 " | 26 " 3.20 " |
| Palmyra - - - - - | 2 Feb. 7.40 p.m. | 2 Feb. 3.50 " | 2 Feb. 8.0 " |
| Cuba - - - - - | 9 " 4.45 a.m. | 9 " 2.44 " | 9 " 3.25 " |
| Australasian - - - - - | 16 " 10.40 " | 16 " 2.46 " | 16 " 3.25 " |
| Russia - - - - - | 23 " 8.20 " | 23 " 5.40 " | 23 " 6.30 " |
| Siberia - - - - - | 1 Mar. 7.45 " | 1 Mar. 2.50 " | 1 Mar. 3.40 " |
| Java - - - - - | 8 " 8.30 " | 8 " 2.45 " | 8 " 3.30 " |
| China - - - - - | 15 " 11.45 " | - | - |
| Cuba - - - - - | 22 " 6.0 " | 22 " 2.50 " | 22 " 3.30 " |
| Australasian - - - - - | 29 " 7.50 " | 29 " 2.50 " | 29 " 3.35 " |

Appendix, No. 3.

STATEMENT showing Arrival of the Outward Cunard Packets at *Queenstown, &c.*—*continued.*

| Name of Packet. | Arrived at Queenstown. | Mail arrived from Cork (due 2.40 p.m.) | Mail Embarked. |
|-------------------------|---------------------------|---|------------------|
| Russia - - - - - | 5 Apr. 0.20 p.m. | 5 Apr. 2.50 p.m. | 5 Apr. 3.20 p.m. |
| Scotia - - - - - | 12 " 7.50 a.m. | 12 " 2.42 " | 12 " 3.25 " |
| Java - - - - - | 19 " 0.6 p.m. | 19 " 2.45 " | 19 " 3.15 " |
| China - - - - - | 26 " 7.22 a.m. | 26 " 2.44 " | 26 " 3.20 " |
| Australasian - - - - - | 3 May, noon - | 3 May, 2.45 " | 3 May, 3.25 " |
| Russia - - - - - | 10 " 8.30 a.m. | 10 " 2.43 " | 10 " 3.30 " |
| Scotia - - - - - | 17 " 10.84 " | - | - |
| Java - - - - - | 24 " 9.20 " | 24 " 3.20 " | 24 " 3.30 " |
| Cuba - - - - - | 31 " 8.35 " | 31 " 2.44 " | 31 " 3.30 " |
| Australasian. - - - - - | 7 June, 6.30 " | 7 June, 2.43 " | 7 June, 2.25 " |
| Russia - - - - - | 14 " 8.0 " | 14 " 2.48 " | 14 " 3.25 " |
| Scotia - - - - - | 21 " 7.35 " | 21 " 2.44 " | 21 " 3.25 " |
| China - - - - - | 28 " 6.45 " | 28 " 2.45 " | 28 " 3.25 " |
| Cuba - - - - - | 5 July, 4.25 " | 5 July, 2.43 " | 5 July, 3.25 " |
| Java - - - - - | 12 " 9.0 " | 12 " 2.43 " | 12 " 3.25 " |
| Australasian - - - - - | 19 " 0.30 p.m. | 19 " 2.43 " | 19 " 3.25 " |
| Scotia - - - - - | 26 " 8.43 a.m. | 26 " 3.45 " | 26 " 4.25 " |
| Russia - - - - - | 2 Aug. 11.55 " | 2 Aug. 2.42 " | 2 Aug. 3.25 " |
| China - - - - - | 9 " 8.36 " | 9 " 2.40 " | 9 " 3.25 " |
| Cuba - - - - - | 16 " 11.0 " | 16 " 2.42 " | 16 " 3.25 " |
| Java - - - - - | 23 " 9.30 " | 23 " 2.50 " | 23 " 3.25 " |
| Scotia - - - - - | 30 " 2.18 p.m. | 30 " 2.40 " | 30 " 3.30 " |
| Russia - - - - - | 6 Sept. 7.20 a.m. | 6 Sept. 2.43 " | 6 Sept. 3.30 " |
| China - - - - - | 13 " 9.33 " | 13 " 2.43 " | 13 " 3.35 " |
| Cuba - - - - - | 20 " 5.0 " | 20 " 2.40 " | 20 " 3.25 " |
| Java - - - - - | 27 " 11.35 " | 27 " 2.42 " | 27 " 3.25 " |
| Scotia - - - - - | 4 Oct. 7.25 " | 4 Oct. 2.43 " | 4 Oct. 3.30 " |
| Russia - - - - - | 11 " 8.35 " | 11 " 2.42 " | 11 " 3.30 " |
| China - - - - - | 18 " 7.6 " | - | - |
| Cuba - - - - - | 25 " 2.5 p.m. | 25 " 2.40 " | 25 " 3.35 " |
| Java - - - - - | 1 Nov. 10.35 a.m. | 1 Nov. 2.42 " | 1 Nov. 3.30 " |
| Scotia - - - - - | 8 " 11.22 " | 8 " 2.50 " | 8 " 3.25 " |
| Russia - - - - - | 15 " 8.5 " | 15 " 2.42 " | 15 " 3.30 " |
| China - - - - - | 22 " 1.58 p.m. | 22 " 2.43 " | 22 " 3.30 " |
| Cuba - - - - - | 30 " 2.0 " | 29 " 2.43 " | 30 " 3.0 " |
| Java - - - - - | 6 Dec. 0.55 " | 6 Dec. 2.45 " | 6 Dec. 3.30 " |
| Australasian - - - - - | 13 " 8.12 a.m. | 13 " 2.45 " | 13 " 3.30 " |
| Russia - - - - - | 20 " 10.39 " | 20 " 2.47 " | 20 " 3.30 " |
| China - - - - - | 28 " 0.32 " | 27 " 3.45 " | 28 " 0.30 a.m. |

STATEMENT showing the Time of Arrival of the OUTWARD INMAN PACKETS at Queenstown, and the Time of Arrival of the Mails and of their Embarkation in 1868.

| Name of Packet. | Arrived at Queenstown. | Mail arrived from Cork (due 2.50 p.m.) | Mail Embarked. |
|-------------------------|------------------------|--|------------------|
| City of Baltimore - - - | 2 Jan. 8.0 a.m. | 2 Jan. 3.0 p.m. | 2 Jan. 3.40 p.m. |
| " Boston - - - | 9 " 7.30 " | 9 " 3.0 " | 9 " 3.40 " |
| " Antwerp - - - | 16 " noon - | 16 " 3.5 " | 16 " 3.50 " |
| " London - - - | 23 " 7.0 a.m. | 23 " 3.0 " | 23 " 3.35 " |
| " Paris - - - | 30 " 8.0 " | 30 " 3.20 " | 30 " 3.45 " |
| " Baltimore - - - | 6 Feb. 2.0 p.m. | 6 Feb. 2.50 " | 6 Feb. 3.35 " |
| " Boston - - - | 13 " 8.0 a.m. | 13 " 2.55 " | 13 " 3.35 " |
| " Antwerp - - - | 20 " 5.45 p.m. | 20 " 3.50 " | 20 " 6.30 " |
| " New York - - - | 27 " 11.0 a.m. | 27 " 2.55 " | 27 " 3.45 " |
| " London - - - | 5 Mar. 6.30 p.m. | 5 Mar. 3.0 " | 5 Mar. 7.15 " |
| " Baltimore - - - | 12 " 11.0 a.m. | 12 " 3.0 " | 12 " 3.40 " |
| " Boston - - - | 19 " 1.30 p.m. | 19 " 2.55 " | 19 " 3.45 " |
| " Antwerp - - - | 26 " 8.0 a.m. | 26 " 2.55 " | 26 " 3.40 " |
| " Paris - - - | 2 Apr. 7.0 " | 2 Apr. 2.55 " | 2 Apr. 3.40 " |
| " London - - - | 9 " 8.0 " | 9 " 2.55 " | 9 " 3.40 " |
| " Baltimore - - - | 16 " 11.15 " | 16 " 3.45 " | 16 " 4.25 " |
| " Boston - - - | 23 " 10.0 " | 23 " 2.55 " | 23 " 3.50 " |
| " Antwerp - - - | 30 " 0.30 p.m. | 30 " 3.45 " | 30 " 4.35 " |
| " Paris - - - | 7 May, 0.15 " | 7 May, 2.55 " | 7 May, 3.45 " |
| " London - - - | 14 " 0.30 " | 14 " 2.55 " | 14 " 3.25 " |
| " Baltimore - - - | 21 " - - - | 21 " 2.55 " | 21 " 3.50 " |
| " Boston - - - | 28 " 11.45 a.m. | - - - | - - - |
| " Antwerp - - - | 4 June, 2.30 p.m. | 4 June, 2.55 " | 4 June 3.40 " |
| " Paris - - - | 11 " 8.0 a.m. | - - - | - - - |
| " London - - - | 18 " 11.54 " | - - - | - - - |
| " Baltimore - - - | 25 " 11.20 " | 25 " 2.55 " | 25 " 3.40 " |
| " Boston - - - | 2 July, 0.10 p.m. | - - - | - - - |
| " Antwerp - - - | 9 " 8.30 a.m. | - - - | - - - |
| " Paris - - - | 16 " 11.0 " | - - - | - - - |
| " London - - - | 23 " 9.30 " | 23 July, 3.50 " | 23 July 4.50 " |
| " Baltimore - - - | 30 " 0.30 p.m. | 30 " 4.15 " | 30 " 4.50 " |
| " Boston - - - | 6 Aug. 11.30 a.m. | 6 Aug. 3.0 " | 6 Aug. 3.40 " |
| " Antwerp - - - | 13 " 0.15 p.m. | 13 " 3.0 " | 13 " 3.55 " |
| " Paris - - - | 20 " 2.0 " | 20 " 3.40 " | 20 " 4.35 " |
| " London - - - | 27 " 4.15 " | 27 " 3.45 " | 27 " 5.0 " |
| " Baltimore - - - | 3 Sept. 6.15 " | 3 Sept. 3.40 " | 3 Sept. 7.0 " |
| " Boston - - - | 10 " 10.0 a.m. | 10 " 2.50 " | 10 " 3.35 " |
| " Antwerp - - - | 17 " 2.0 p.m. | 17 " 3.0 " | 17 " 3.45 " |
| " Paris - - - | 24 " 11.30 a.m. | 24 " 2.55 " | 24 " 3.35 " |
| " London - - - | 1 Oct. 7.0 a.m. | 1 Oct. 2.55 " | 1 Oct. 3.45 " |
| " Baltimore - - - | 8 " 0.30 p.m. | 8 " 2.55 " | 8 " 3.40 " |
| " Boston - - - | 15 " 6.0 " | 15 " 9.50 " | 15 " 10.35 " |
| " Antwerp - - - | 22 " noon - | 22 " 2.55 " | 22 " 3.40 " |
| " Paris - - - | 29 " 3.30 p.m. | 29 " 10.45 " | 29 " 11.30 " |
| " London - - - | 5 Nov. 2.30 " | 5 Nov. 9.50 " | 5 Nov. 11.0 " |
| " Baltimore - - - | 12 " 0.30 " | 12 " 2.55 " | 12 " 3.35 " |
| " Boston - - - | 19 " 10.0 a.m. | 19 " 2.50 " | 19 " 3.45 " |
| " Antwerp - - - | 26 " 0.30 p.m. | 26 " 2.50 " | 26 " 3.45 " |
| " Paris - - - | 3 Dec. 10.0 a.m. | 3 Dec. 2.55 " | 3 Dec. 3.55 " |
| " London - - - | 10 " 7.30 p.m. | 10 " 2.55 " | 10 " 9.0 " |
| " Baltimore - - - | 17 " 0.30 " | 17 " 3.50 " | 17 " 4.45 " |
| " Etna - - - | 24 " 2.0 " | - - - | - - - |
| " New York - - - | 31 " 9.30 a.m. | 31 " 3.5 " | 31 " 3.50 " |

Appendix No. 3.

RETURN of the Number of SACKS of MAILS conveyed by the NORTH GERMAN LLOYD from *Southampton* on Tuesday, and by CUNARD'S BOATS from *Queenstown* on Wednesday, in the Year 1869.

| DATE. | From Southampton. | From Queenstown. |
|----------------------------|-------------------|------------------|
| | Number of Sacks. | Number of Sacks. |
| January 5th and 6th - - - | 34 | 29 |
| „ 12th and 13th - - - | 31 | 33 |
| „ 19th and 20th - - - | 30 | 36 |
| „ 26th and 27th - - - | 30 | 34 |
| February 2nd and 3rd - - - | 30 | 38 |
| „ 9th and 10th - - - | 29 | 39 |
| „ 16th and 17th - - - | 33 | 35 |
| „ 23rd and 24th - - - | 34 | 37 |
| March 2nd and 3rd - - - | 35 | 38 |
| „ 9th and 10th - - - | 36 | 38 |
| „ 16th and 17th - - - | 33 | 35 |

STATEMENT showing the Average Length of the VOYAGES performed by the several Lines of CONTRACT STEAMERS conveying the AMERICAN MAILS in 1868.

| LINE. | During | | | | | | | |
|--|---------------------------------|--------|-------------------------|--------|--------------------------------|--------|------------------------------------|--------|
| | January, February, March. | | April, May, June. | | July, August, September. | | October, November, December. | |
| | Days. | Hours. | Days. | Hours. | Days. | Hours. | Days. | Hours. |
| OUTWARDS: | | | | | | | | |
| Cunard (Queenstown and New York, 2,780 nautical miles) - | 11 | 8 | 9 | 20 | 9 | 4 | 10 | 15 |
| Inman (Queenstown and New York, 2,780 nautical miles) - | 11 | 22 | 10 | 13 | 9 | 15 | 11 | 11 |
| North German Lloyd (Southampton and New York, 3,075 nautical miles) - - - - | 12 | 7 | 11 | 10 | 10 | 21 | 11 | 23 |
| Hamburg-American Steam Packet Company (Southampton and New York, 3,075 nautical miles) | 12 | 2 | 11 | 23 | 10 | 16 | 11 | 7* |
| HOMEWARDS: | | | | | | | | |
| Cunard - - - - - | 9 | 14 | 9 | 4½ | 8 | 7 | 9 | 8 |
| Inman - - - - - | 9 | 21 | 9 | 19 | 9 | 23 | 9 | 21 |
| North German Lloyd - - - | 10 | 6 | 10 | 13 | 11 | 12 | 10 | 15 |
| Hamburg-American Steam Packet Company - - - - - | 10 | 19 | 10 | 23 | — | — | — | — |

* The average of five voyages, ending with that completed on the 9th November, which was the last one performed under contract, and the last one for which official Returns were rendered.

43

Appendix, No. 4.

PAPERS handed in by Mr. *Chetwynd*, 20 March 1869.

ESTIMATE of the SEA POSTAGE and GROSS POSTAGE of CORRESPONDENCE carried in 1868 by the CUNARD PACKETS OUTWARDS, and the SEA POSTAGE on HOMEWARD MAILS, at the Rates mentioned.

Appendix, No. 4.

| | Sea Rate. | Sea Rate and British Inland. | Gross Rate. | Sea Postage. | Sea and British Rates. | Gross Postage. |
|---|-----------|------------------------------|-------------|---------------|------------------------|----------------|
| | d. | d. | d. | £. | £. | £. |
| 1,761,480 Rates of Letters - | 4 | 5 | 6 | 29,357 | 36,696 | 44,035 |
| 1,215,092 Papers - - - | 1 | 1½ | 2 | 5,062 | 7,503 | 10,124 |
| 80,816 Books - - - | 1½ | 2 | 3 | 505 | 674 | 1,010 |
| TOTAL OUTWARDS - - - | | | £. | 34,924 | 44,963 | 55,169 |
| Add,— | | | | | | |
| Sea Postage on Homeward Mails : | | | | | | |
| 1,504,640 Rates of Letters, at 4 d. - - - | | | £. | 25,046 | | |
| 84,508 lbs. of Papers, at 3 d. - - - | | | | 1,056 | | |
| | | | | 26,102 | 26,102 | 26,102 |
| Deduct,— | | | | | | |
| Loss of Sea Postage on the Homeward Mails, viz. : | | | | | | |
| Sea Postage at above rates - - - - - | | | £. | 26,102 | | |
| The United States Office paid Messrs. Cunard lower rates for these mails than the rates mentioned in the convention; the amount paid and to be paid is estimated at - - - - - | | | | 9,490 | | |
| | | | | 16,612 | 16,612 | 16,612 |
| So that the result is about - - - - - | | | £. | 44,414 | 54,453 | 64,659 |
| The cost of the packets was - - - - - | | | £. | 80,000 | 80,000 | 80,000 |
| The difference or loss was - - - - - | | | £. | 35,586 | 25,547 | 15,341 |

General Post Office, }
March 1869. }

Geo. Chetwynd,
Receiver and Accountant General.

Appendix, No. 4.

RETURN showing the Amount of SEA POSTAGE paid to the Contractors on CORRESPONDENCE despatched to the *United States* during each Quarter of the Year 1868, by the INMAN, NORTH GERMAN LLOYD, and HAMBURGH-AMERICAN Lines of Packets, respectively; and the Amount of SEA POSTAGE, computed at the same Rates, applicable to the CUNARD PACKETS, OUTWARDS and HOMEWARDS; showing also the SUMS received from Messrs. *Cunard* up to the present Date, for Conveyance of HOMEWARD MAILS.

The Rates paid to Contractors for Conveyance by Weight were as follows, viz.: Letters, 1 s. per ounce; Papers, 3 d. per pound; Books, 5 d. per pound.

| Quarter ended | LINE OF PACKETS. | | | | | |
|-------------------------------------|------------------|-----------|------------------------------------|--------|---------------------|--------------------|
| | CUNARD. | | | Inman. | North German Lloyd. | Hamburgh-American. |
| | Outward. | Homeward. | Sums received from Messrs. Cunard. | | | |
| | £. | £. | £. | £. | £. | £. |
| 31 March - 1868 - | 7,418 | - - | 3,074 | 6,161 | 2,967 | 935 |
| 30 June - ,, - | 6,887 | - - | 1,840 | 5,119 | 2,777 | 1,704 |
| 30 September ,, - | 6,712 | - - | 2,204 | 5,910 | 2,808 | 1,745 |
| 31 December ,, - | 7,866 | - - | - (b) - | 6,185 | 3,146 | (a) 773 |
| £. | 28,883 | 23,655 | 7,118 | 22,775 | 11,698 | 5,157 |
| Estimated Sea Postage collected - - | 34,924 | 26,102 | - - | 25,987 | 13,408 | 6,400 |

(a) The contract with this Company terminated on the 31st October 1868.

(b) The payment for the fourth quarter has not yet been received.

General Post Office, }
March 1869. }

Geo. Chetwynd,
Receiver and Accountant General.

45

ESTIMATE of the GROSS POSTAGE derived by the *United Kingdom* under the Convention with the *United States*, during the Year 1868.

| | Postage Collected. | British Share. |
|--|--------------------|----------------|
| OUTWARDS : | £. | £. |
| Gross Postage on International and Transit Letters - - - | 76,068 | |
| Ditto - - Papers - - - - - | 16,742 | |
| Ditto - - Books - - - - - | 2,109 | |
| | 94,919 | 47,459 |
| British Rates on Foreign Closed Mails : | | |
| Letters - - - - - | 18,339 | |
| Papers - - - - - | 693 | |
| Books - - - - - | 28 | |
| | 19,060 | 19,060 |
| HOMEWARDS : | | |
| Gross Postage on International and Transit Letters - - | 88,746 | |
| Ditto - - Papers and Books - - - - - | 18,851 | |
| | 107,597 | 53,798 |
| British Rates on Foreign Closed Mails - - - - - | | 3,400 |
| | | 123,717 |
| British Share of Gross Postage - - - £. | | 123,717 |

General Post Office, }
March 1869.

Geo. Chetwynd,
Receiver and Accountant General.

Appendix, No. 5.

Appendix, No. 5. A STATEMENT showing the Total Estimated Number of INTERNATIONAL LETTERS sent to and received from the *United States* during the Years 1863, 1865, 1866, 1867, and 1868 respectively, and the Increase or Decrease per Cent.

| Year 1863. | 1865. | | 1866. | | 1867. | | 1868. | |
|------------|--------------------|-------------------------------|--------------------|-------------------------------|--------------------|--------------------------------|--------------------|-------------------------------|
| | Number of Letters. | Increase per Cent. over 1863. | Number of Letters. | Increase per Cent. over 1865. | Number of Letters. | Decrease per Cent. below 1866. | Number of Letters. | Increase per Cent. over 1867. |
| 2,461,440 | 3,367,697 | 36.8 | 4,066,284 | 20.7 | 3,916,759 | 3.7 | 4,875,802 | 24.5 |

Increase—Year 1868 over Year 1863 - - - = 98 per Cent.

Average Yearly Increase - - - = 19½ „

General Post Office, }
20 March 1869. }

Geo. Chetwynd,
Receiver and Accountant General.

STATEMENT showing the Estimated Amount of SEA POSTAGE earned by the several Lines of NORTH AMERICAN MAIL PACKETS on the Outward Voyages during the Year 1868. This Estimate is based on the Supposition that there were 3½ Letters to the Ounce, 7¼ Papers to the Pound, and 5½ Book-packets to the Pound.

| LINE OF PACKET. | Estimated Amount of Sea Postage. |
|------------------------------|----------------------------------|
| | £. |
| Cunard - - - - - | 34,924 |
| Inman - - - - - | 25,987 |
| North German Lloyd - - - - - | 13,408 |
| Hamburgh-American - - - - - | 6,400 |
| TOTAL - - - £. | 80,719 |

General Post Office, }
20 March 1869. }

Geo. Chetwynd,
Receiver and Accountant General.

44

Appendix, No. 6.

RETURN showing the Number of LETTERS Posted in *London*, and in some of the Principal Towns in the Kingdom, on the 19th and 20th of March, for Transmission by the Packet sailing from *Queenstown* to *New York*, on Sunday, the 21st March.

Appendix, No. 6.

| TOWNS. | Number of Letters. |
|----------------------|--------------------------|
| London - - - - - | 4,100 |
| Liverpool - - - - - | 2,715 |
| Glasgow - - - - - | 1,002 |
| Manchester - - - - - | 795 |
| Belfast - - - - - | 637 |
| Limerick - - - - - | 346 |
| Sheffield - - - - - | 200 |
| Bradford - - - - - | 194 |
| Cork - - - - - | 151 |
| Leeds - - - - - | 119 |
| Waterford - - - - - | 90 |
| Halifax - - - - - | 37 |

TOTAL - - { London - 4,100
 { Provincial 6,286

General Post Office }
22 March 1869. }

Frank Ives Scudamore.

Appendix, No. 7.

Appendix, No. 7. RETURN of the NUMBER of LETTERS for the *United States*, posted in *London* after the closing of the LETTER BOXES on the evening of Monday, the 22nd March 1869, and before the closing of the MAILS for *New York*, to be conveyed from *Southampton* by the PACKET of the NORTH GERMAN LLOYD on Tuesday, the 23rd March.

Number of Letters - - - - - 136

General Post Office, }
23 March 1869. }

Frank Ives Scudamore.

Appendix, No. 8.

Appendix, No. 8. AN ESTIMATE of the SEA POSTAGE Collected upon Correspondence carried to the *United States*, by the INMAN, NORTH GERMAN LLOYD, and HAMBURGH-AMERICAN Packets in 1868, computed at the Rates of 3½ Letters to the Ounce, 7¼ Papers to the Pound, and 5½ Books to the Pound; also of the Amount earned by those Companies at the Rates of 1 s. per Ounce for Letters, 3 d. per Pound for Papers, and 5 d. per Pound for Books; the Penalties incurred; and the Payments actually made for Conveyance of the Mails.

| COMPANY. | Sea Postage Collected. | | | | Amount Earned at above-named Rates. | Penalties. | Payments made. |
|----------------------|------------------------|---------|--------|--------|-------------------------------------|------------|----------------|
| | Letters. | Papers. | Books. | TOTAL. | | | |
| | £. | £. | £. | £ | £. | £. | £. |
| Inman - - - - - | 23,941 | 1,792 | 254 | 25,987 | 22,774 | 606 | 22,168 |
| North German Lloyd - | 12,295 | 1,034 | 79 | 13,408 | 11,710 | 2,195 | 9,515 |
| Hamburgh-American - | 5,360 | 974 | 66 | 6,400 | 5,154 | 1,812 | 3,342 |
| TOTAL - - - £. | 41,596 | 3,800 | 399 | 45,795 | 39,638 | 4,613 | 35,025 |

General Post Office, }
March 1869. }

Geo. Chetwynd,
Receiver and Accountant General.

57

R E P O R T
FROM THE
SELECT COMMITTEE
ON
M A I L C O N T R A C T S ;
TOGETHER WITH THE
PROCEEDINGS OF THE COMMITTEE,
MINUTES OF EVIDENCE,
AND APPENDIX.

*Ordered, by The House of Commons, to be Printed,
23 March 1869.*

[*Price 2 s. 4 d.*]

106.

Under 20 oz.

481

I N D E X

TO THE

R E P O R T

FROM THE

S E L E C T C O M M I T T E E

ON

M A I L C O N T R A C T S .

*Ordered, by The House of Commons, to be Printed,
23 March 1869.*

I N D E X.

[*N.B.*—In this Index the *Figures* following the Names of the Witnesses refer to the Questions in the Evidence; those following *App.* to the Pages in the Appendix; and the Numerals following *Rep.* to the Pages in the Report.]

A.

ADMIRALTY PARCELS. Omission from the present Cunard and Inman contracts of any clause relative to the conveyance of packets for the Admiralty, there being, however, no longer any service to Halifax, *Scudamore* 1001, 1002.

American Government and Mails. See *United States.*

B.

Baxter, William Edward (Member of the House). (Analysis of his Evidence.)—Has taken an active interest in the packet service; is strongly opposed to fixed subsidies where active and effective competition exists, 610-618—Withdrawal by witness, in March 1868, of his motion relative to the Cunard contracts, on the understanding that there should be no payment by fixed subsidies, 612-615—Approval of the original Cunard contract, and of the subsidy then given, though a fixed payment is now unnecessary, 618—Decided objection to a contract for so long a term as eight years where there is competition, 619.

Belief that by paying according to the weight of letters carried, the service would be conducted quite as efficiently as at present, and that in time a daily post would be the result, 620-630—Satisfactory terms made by the United States on the principle of payment according to the weight of letters sent by any ship, 622, 623, 629—Undue advantage to the Cunard Company, in competition with other companies, by reason of the large subsidies received, 624, 625.

Endeavour of the late Government to dispense with subsidies under the present contracts, the Cunard and Inman companies having, however, combined in order to obtain their own terms, 631, 632—Belief that by resorting to open competition, and by paying according to the freight of the mail bags, Government would in a short time secure an efficient and rapid service, 633-637, 653—Course open to Government when the tenders received in 1868 did not comply with the conditions required, 633-636, 649-651, 660-664.

With respect to the advantage possessed, as regards competition, by foreign vessels carrying foreign mails, the English Post Office should in any case make the best bargain in its power, 638-641, 655-659—Expected punctuality and expedition irrespectively of subsidies, 642-648—Complaint as to the Cunard and Inman vessels not being bound as to the time of the passage, whilst the the German companies are so bound, 643-647.

Very little importance attached to fines for non-punctuality, 652—Advantage of the vessels calling at Queenstown, 654—Objection to contract requirements as to the conveyance of officers &c., 655-657.

Belfast. Statement of the course of post from Belfast to New York *viâ* Queenstown and *viâ* Southampton, in March and August 1868, *App.* 158—Particulars of homeward passages of the mail packets in 1868, and of the time of delivery of the mails in Belfast *viâ* Queenstown and *viâ* Southampton, *ib.* 175-186—Return showing that 637 letters were posted in Belfast on the 19th and 20th March for transmission by the packet sailing from Queenstown to New York on the 21st March, *ib.* 195.

Boston Line. Circumstance of the Cunard Company not having had any subsidy for the boats from Liverpool to Boston, *viâ* Queenstown, in 1868, *Taylor* 20, 21.

Bristol. Particulars of the course of post from Bristol to New York *viâ* Queenstown, and *viâ* Southampton, in March and August 1868, *App.* 154.

Report, 1869—continued.

Burns, John. (Analysis of his Evidence.)—Represents the Cunard Company, being one of the partners, 1360—Possession by the company of a fleet of forty steamers, amounting to 60,000 tons, 1361—Explanation of the circumstances under which witness's company declined to tender according to the forms of tender issued by the Post Office towards the end of 1867; 1362, 1363. 1368—Arrangement eventually entered into by witness for a temporary service *via* Queenstown, for the year 1868, at a subsidy of 80,000 *l.*; 1363-1368.

Personal communication between witness and Mr. Inman, in 1868, brought about chiefly by the growing foreign competition to which the Cunard and Inman lines were being subjected; arrangement then arrived at by which a joint offer was made to perform a tri-weekly service for 150,000 *l.* a year, 1368—Reluctance with which witness afterwards consented to accept the reduced terms offered by Government, *ib.*—Positive belief of witness that the bargain made with Government would be readily ratified by Parliament, otherwise he would never have sanctioned the arrangement, 1369, 1370. 1517.

Effect of a non-ratification of the contract, in preventing the employment by witness's firm of an improved class of vessels of increased speed, 1371-1375. 1409-1411—Information relative to the "Scotia," "Russia," "Persia," and other fast vessels of the company, provided at an immense outlay, 1376-1382—Valuable services rendered by the Cunard vessels in the transport of troops during the Crimean war, and at the time of the "Trent" difficulty with the United States, 1383, 1384.

Exception taken to the description of the Tuesday service, as being performed by "cargo" boats, 1385—Efficiency generally of the boats employed on the Tuesday service; similar rates of freight as by the faster boats, 1385-1389—Statement that it was never intended, nor was it necessary, that the Tuesday service should be so speedy as the Saturday service, 1386, 1387. 1479, 1480—Denial that through the subsidy the Cunard Company charges a lower freight than other companies, 1390.

Objection by witness's company to any large outlay on new ships, unless under a postal contract for not less than eight years, 1391—Statement relative to the injurious competition with the Cunard and Inman companies, on the part of the French and German companies; extraneous advantages of these, which enable them to convey passengers and goods at lower rates, 1391-1394. 1481-1485—Explanation as to witness having notified to the Post Office that the Cunard Saturday boats would not call at Queenstown, if the contract were annulled; positive loss in calling there, but for the mails, 1395. 1398-1400. 1403.

Circumstance of nothing having yet been received from Government under the contract, 1396, 1397—Recent arrangement between witness's company and the United States Government, from week to week, by which the former receive 20 cents. or about 8*d.* per ounce for the mails to this country, 1401-1403. 1417-1421—Statement of the grounds of objection by the company to any penalties under the contract, though strongly urged by Mr. Scudamore, 1404-1406. 1486-1489—Explanation of the circumstances under which the company carry the mails between Greenock and Belfast for nothing, 1408.

Evidence with further reference to the question of the Cunard boats calling at Queenstown, irrespectively of the mails; material expense and loss involved if all the vessels were to call there regularly for passengers, 1422-1451. 1520, 1521. 1585-1589—Irregular departure of the company's vessels at certain seasons of the year, if it were not for the subsidy, 1452-1455. 1571, 1572—Increased expense of ships constructed for the conveyance of mail bags, 1434-1440. 1525, 1526.

Denial that the Cunard and Inman lines were induced to coalesce in order to obtain a subsidy of 105,000 *l.* as a help against the competition of the French and German lines, 1456-1478. 1490-1495. 1559-1562—Intention of the Cunard Company to give a better service under the contract than was stipulated for, 1496-1499.

Witness submits that the contract in question having been purely and honestly made, and having been upheld by the Government, its non-ratification by Parliament is a serious grievance to his company, 1500-1507. 1566-1570—Severe loss and prejudice to the company by an abrupt termination of the contract, 1508-1516. 1583, 1584—Objection by the company to tender for any similar contract, if the present one be abrogated, 1518—Large reserve of vessels maintained by the company, in order to carry out an efficient and punctual service, 1522-1524.

Great inconvenience to the commercial world if the ships did not sail on fixed days, 1527, 1528—Belief as to the American Government having sent letters by the "Samaria," one of the Tuesday boats, 1536-1538—Dissent from the conclusion that though previously to 1869 the Post Office may have been losing a very large sum annually under the Cunard contracts, the terms were unduly favourable to the company, 1531-1555—Larger moiety of the contract money required for the Saturday service than for the Tuesday service, 1529, 1530.

Large saving in the cost of the Cunard vessels, if they had not been subject to the Government

Report, 1869—continued.

Burns, John. (Analysis of his Evidence)—continued.

Government survey, 1549, 1550—Exception taken to the inference that witness assumes his company have been conferring a favour on Government under the postal contracts, 1551-1553, 1596—Slower boats run by the company in winter, but for the subsidy, 1556-1558—Understanding as to the company being precluded from carrying foreign mails, 1563-1565, 1593, 1594—Willingness of witness to accept the sea and inland postage in lieu of the subsidy, if it can be shown that the former is equal in amount to the latter, 1573-1580—Greater care necessary in the conveyance of the mails than of ordinary cargo, 1590-1592.

C.

Cargo Boats (Cunard Line). See *Slow or Cargo Boats.*

Chetwynd, George. (Analysis of his Evidence.)—Is Receiver and Accountant General of the Post Office, 1773—Supplies sundry particulars in connection with estimates made by the Post Office authorities relative to the increase of American postage, by reducing the rate to 6*d.*, and the earnings to be derived under the Cunard contract for 1868; 1774 *et seq.*—Calculations as to the loss incurred on the contract for 1868, accordingly as the sea postage only, or the sea and inland postage combined, is deducted from the subsidy of 80,000*l.*; 1794, 1795.

Total of about 44,414*l.* as the sea postage on the Cunard steamers out and home for 1868; 1794—Earning of 22,774*l.* by the Inman Company under their contract in 1868; 1796—Earning of 11,710*l.* by the North German Lloyd's Company, 1797—Earning of 5,154*l.* by the Hamburg-American Company, 1798—Explanations in connection with an amended estimate, showing that the British share of the gross postage out and home, after division with the United States, is calculated at 123,717*l.* for the year 1868; that is under all the contracts, and including inland postage, 1799-1825, 1833-1839.

Larger amount of the homeward than of the outward mails, so that the moiety received from the United States Government is larger than the moiety paid them, 1799, 1800, 1805-1810, 1836-1838—Explanation that a certain Post Office return, made in January last, was only an estimate, and has proved inaccurate in some respects as regards the amount of earnings in 1868; 1811-1825.

Difficulty in arriving at the separate cost incurred by the Post Office in respect of the inland postage on the American correspondence; very limited amount of this expense, 1826-1832. (Mr. *Scudamore.*)—Average of about $\frac{3}{4}$ *d.* per inland letter as the cost of collection, transmission, and distribution, 1832. (Mr. *Chetwynd.*)—Large increase since 1863 in the amount of American letters; prospect of further increase from year to year, 1840-1850—Estimate of 80,719*l.* as the gross sea postage, after deducting one-third, or 2*d.* per letter, for inland postage, 1851, 1852.

Coals. Large consumption of coals when great speed is requisite, the conveyance of the mails thus leading to much increase of expense, *Burns* 1519; *Inman* 1628-1633.

Combination (Cunard and Inman Companies). Endeavour of the late Government to dispense with subsidies under the present contracts, the Cunard and Inman companies having, however, combined in order to obtain their own terms, *Baxter* 631, 632—Inaccuracy of the view that Messrs. Cunard and Mr. Inman dictated their own terms, *Right Hon. G. W. Hunt* 1153, 1154.

Personal communication between witness and Mr. Inman in 1868, brought about chiefly by the growing competition to which the Cunard and Inman lines were being subjected; arrangement then arrived at by which a joint offer was made to perform a tri-weekly service for 150,000*l.* a year, *Burns* 1368—Denial that the Cunard and Inman lines were induced to coalesce in order to obtain a subsidy of 105,000*l.*, as a help against the competition of the French and German lines, *ib.* 1456-1478, 1490-1495, 1559-1562.

Compensation. Conclusion of the Committee that whilst the contracts should be disapproved compensation should be made, if necessary, on the basis of contracts for services already performed in the present year, *Rep. v.*

Competition. Transmission of English letters by three different lines to America under contract with the United States Government up to the end of 1867, whilst the Cunard line alone obtained any contract with the English Post Office, *Taylor* 5-10—Belief that if subsidies were abolished the postal services with New York would not be less efficient or less frequent under the system of open competition, *Taylor* 22, 53-57, 64-70; *P. Hill* 165—Great advantage, as regards competition, of the prestige of carrying the mails, *Wallis* 219, 247, 248, 291, 292; *Duncan* 357, 358—Unfair competition as to freight through the system of subsidies, *Wallis* 220, 221—Advantage to any steamship company, in its competition with other companies, if it have a fixed subsidy for carrying the mails, *Duncan* 388, 426, 430-434.

Witness is strongly opposed to fixed subsidies where active and effective competition exists, *Baxter* 610-618—Undue advantage to the Cunard Company in competition with other companies, by reason of the large subsidies received, *Baxter* 624, 625; *Robinson* 106-1.

Report, 1869—continued.

Competition—continued.

737—Belief that by resorting to open competition, and by paying according to the freight of the mail-bags, Government would in a short time secure an efficient and rapid service, *Barter* 633-637. 653—With respect to the advantage possessed as regards competition by foreign vessels carrying foreign mails, the English Post Office should in any case make the best bargain in its power, *ib.* 638-641. 655-659.

Belief that a termination of the contracts would not lead to much present inconvenience, there being plenty of vessels available for carrying on an efficient service, if it were open to competition, *Maris* 684, 685. 688-691—Effect of large subsidies to particular companies in checking competition, and in preventing the building of faster vessels, *Robinson* 719-731—Prospect of efficient competition on the termination of the contracts in eight years' time, *Scudamore* 1085-1087.

Statement relative to the injurious competition with the Cunard and Inman companies on the part of the French and German companies; extraneous advantages of these, which enable them to convey passengers and goods at reduced rates, *Burns* 1391-1394. 1481-1485—Undue competition to which the vessels of witness's company are and have been subjected on the part of foreign companies, *Inman* 1598—Explanation as to witness having formerly been a strong advocate for open competition in the conveyance of the mails to America, and having contended that the Cunard line was not essential as the means of furnishing an efficient service, *ib.* 1717-1736.

See also *Efficiency of Service. Postage, 2. Ship Letters.*

Conventions with United States. Negotiation by witness in 1867 of the postal convention with the United States, which came into operation in 1868; comment upon the speedy termination of this convention, and upon the substitution of another, which, in witness's opinion, is a very objectionable one, *F. Hill* 477-487.

Explanation in connection with the termination by the Post Office of the convention with the United States entered into in June 1867, *Scudamore* 1062-1068—Witness explains, on the part of the Post Office, the points of difference between the convention of last year with the United States and the convention of the previous year, *Page* 1207-1211—The convention of 1867 allowed each country to collect what rates it liked up to a certain maximum, *ib.* 1209, 1211—By the convention of 1868 the rates to be collected were fixed at certain sums, *ib.* 1209-1211.

Conveyance of Mails. Advantage to a steamship company of the prestige of carrying the mails, *Wallis* 219, 247, 248. 291, 292; *Duncan* 357, 358—Increased expense of ships constructed for the conveyance of mail-bags, *Burns* 1434-1440. 1525, 1526—Greater care necessary in the conveyance of the mails than of ordinary cargo, *ib.* 1590-1592.

Cork. Statement of the course of post from Cork to New York *viâ* Queenstown and *viâ* Southampton, in March and August 1868, *App.* 157.

CUNARD COMPANY:

1. *As to the different Contracts with the Company, and the Subsidies paid.*
2. *As to the Vessels of the Company, and their Performances.*

1. *As to the different Contracts with the Company, and the Subsidies paid:*

Belief that the price agreed to be paid to the Cunard Company is entirely beyond the service performed, *Taylor* 22. 37-41—Payment of 70,000 *l.* to the Cunard line for two weekly services from Queenstown, under the contract now awaiting confirmation, *P. Hill* 157, 158.

Termination, at the end of 1868, of the contract for that year, by which the Cunard Company received 80,000 *l.*, *P. Hill* 159-161—Loss of 40,000 *l.* by the Post Office under the Cunard contract in 1868, *ib.* 164—Statement as to witness having shown, in October 1867, that the calculation of Mr. Scudamore relative to the Cunard contract for 1868 was quite fallacious, *F. Hill* 601—Approval of the original Cunard contract, and of the subsidy then given, though a fixed payment is now unnecessary, *Barter* 618.

Payment of 173,000 *l.* a year to the Cunard Company for fortnightly services to New York and Boston respectively, previously to 1868, *Scudamore* 979, 980—Much less remunerative character of the present contract to Messrs. Cunard than of previous ones, *ib.* 1100-1103.

Reluctance with which witness consented to accept the reduced terms offered by Government; that is, 70,000 *l.*, instead of 100,000 *l.*, for two weekly services, *Burns* 1368—Dissent from the conclusion that though previously to 1869 the Post Office may have been losing a very large sum annually under the Cunard contracts, the terms were unduly favourable to the company, *ib.* 1531-1555—Exception taken to the inference that witness assumes his company to have been conferring a favour on Government under the postal contracts, *ib.* 1551-1553. 1596.

Calculation as to the loss incurred in the contract for 1868, accordingly as the sea postage only, or the sea and inland postage combined, is deducted from the subsidy of 80,000 *l.*, *Chetwynd* 1794, 1795.

Varying

CUNARD COMPANY—continued.

1. *As to the different Contracts with the Company, &c.*—continued.

Varying loss on the Cunard contract for 1868, accordingly as the service is or is not credited with the inland postage, as well as the sea postage, *Rep.* iii.

Summary of the circumstances under which the Cunard contract of 1868, at a subsidy of 80,000 *l.*, was entered into by the Post Office, *Rep.* iv—Favourable character, as regards the public, of the present contracts, when compared with former contracts with Messrs. Cunard, *ib.* v.

2. *As to the Vessels of the Company, and their Performances:*

Comparatively few boats built by the Cunard Company in recent years, notwithstanding the large subsidies, *Taylor* 23; *Baxter* 624—Dissent from the view that the six first-class vessels of the Cunard line are preferred by the public to the fast boats of the Inman and other lines, *Taylor* 55-57—Want of improvement in the Cunard boats, whereas there has been great improvement in the boats of the German companies, *Maris* 675-679.

Condition in the Cunard contract that any new vessels to be built by the Cunard Company shall not be less than 2,000 tons, *Scudamore* 1006.

Possession by the company of a fleet of forty steamers, amounting to 60,000 tons, and manned by about 5,000 men, *Burns* 1361—Information relative to the "Scotia," "Russia," "Persia," and other fast vessels of the company, provided at an immense outlay, *ib.* 1376-1382—Large reserve of vessels maintained by the company, in order to carry out an efficient and punctual service, *ib.* 1522-1524.

Returns showing the performances of the vessels of the company since 1st January 1869, *App.* 147, 148—Average monthly return of the passages of the company's vessels to New York, in 1868, *ib.* 150.

Return showing the relative performances in 1868 of the four fastest steamers of the Cunard Company and of the Hamburg-American Company; greater speed of the vessels of the latter company, *App.* 151.

Return showing the actual performance of each vessel of the company on each voyage to New York in 1868. *App.* 163-174—Average length of the voyages outwards and of the voyages homewards in 1868, *ib.* 187, 190.

See also *Boston Line.* *Combination.* *Competition.* *Duration of Contracts.*
Efficiency of Service. *Non-ratification of Contracts.* *Penalties.* *Postage.*
Queenstown. *Subsidies.* *United States.*

D.

Daily Mail. Belief that if the mail service with America were open to competition, there would be a daily communication in less than two years, *Baxter* 621.

Departure of Mail Packets. Expectation that departure on fixed days may be secured without resorting to subsidies, *P. Hill* 186, 187—Absence of disadvantage if letters are delivered at New York in the stipulated time, though the vessels may be late in departure, *ib.* 188—Equal punctuality in departure, irrespectively of the mails, *Wallis* 214-216; *Duncan* 359, 360, 391, 392; *Guion* 777-782.

Circumstance of Mr. Inman having consented to change his day of sailing, the three services being now very satisfactorily arranged, *Scudamore* 931-934—Authority given by the Treasury to the recent alteration of the Inman contract, as regards the day of sailing, *ib.* 1118-1122.

Irregular departure of the Cunard company's vessels at certain seasons of the year, if it were not for the subsidy, *Burns* 1452-1455—Great inconvenience to the commercial world if the ships did not sail on fixed days, *ib.* 1527, 1528.

See also *Efficiency of Service.* *Queenstown.* *Southampton.*

Draft Reports. Draft Reports proposed, respectively, by the Chairman of the Committee, by Mr. Graves, and by Mr. Seely, *Rep.* viii-xiii—Adoption, with some amendments, of the Report proposed by the Chairman, *ib.* xiii-xvi.

Duncan, Andrew. (Analysis of his Evidence.)—Is partner in the firm of Smith, Sundius, & Co., agents of the Hamburg-American Steam Packet Company, 294—Conveyance of a weekly mail by the company from Southampton to New York, for ten months in 1868: 295, 296—Particulars relative to the length of the passages of the Company's vessels for each month in the year, the average for the whole year being eleven days eight hours and eight minutes, 297-324—Comparison between the passages made by the Company's vessels from Southampton, and by the Cunard boats from Queenstown, allowance being made for the distance between those places, 325-335.

Total of 5,412 *l.* earned by the company from the mail service in 1868, subject to the question of the infliction of certain fines for delay in departure, and for over-time 336-346—Strong complaint by the company against the threatened fines, the result being that

Report, 1869—*continued.**Duncan, Andrew.* (Analysis of his Evidence)—*continued.*

they threw up the contract, 336-346. 443—Several new boats in the possession of the company, all being built on the Clyde, and their size being about 2,500 tons, 347-373-379. 385-387.

Explanation in connection with the tender of the company in 1867; ground for complaint of unfair treatment as compared with the Cunard and other lines, 348-354—Better terms demanded by the company under their tender in 1868 than in 1867; demand for an additional sum of 12,000 £, if a weekly instead of a fortnightly service were required in the three winter months, 355, 356. 408-417. 429—Great advantage of the prestige of carrying the mails, 357, 358—Attention paid to punctuality and speed, irrespectively of the conveyance of mails, 359, 360. 391, 392.

Statement in explanation of a recent offer by the company for a mail service from Queenstown every Sunday for 25,000 £ per annum, 361-370—Very little expense and loss of time through the steamers for America calling at Queenstown, 370. 394-399—Conveyance of the United States mails by the company at the rate of about 6 d. per ounce, there being no fixed subsidy, 371, 372. 384. 421-425—Salutary check by the Postmaster in the States in regard to the vessels by which the mails are sent, 373. 383.

Opinion that subsidies are not necessary in order to secure an expeditious and punctual mail service with America, 381-383. 391, 392—Advantage to any steamship company, in its competition with other companies, if it have a fixed subsidy for carrying the mails 388. 426. 430-434—Statement as to the receipts derived by witness's company from German and French postage, 400-407. 435-442.

Circumstance of the Cunard or Inman packets not being bound to time under the present contract, 416-420—Willingness of the Hamburg-American Company to convey the mails at 1 s. an ounce, though the amount earned at that rate in 1868 was much less than was expected, 426-429—Facility of arranging for four or five first-class services weekly to America, 444, 445.

[Second Examination.]—Explanatory statement relative to the receipts of the Hamburg-American Company in respect of the Prussian postage, 1199, 1200—Lower demand of the company for calling at Queenstown than 25,000 £, but for the vessels coming all the way from Hamburg, 1200—Great speed of the "Holsatia," one of the company's fleet, *ib.*

Duration of Contracts. Disapproval of long contracts as debarring the Post Office from taking advantage of the frequent improvements in steam conveyance, *F. Hill* 473—Decided objection to a contract for so long a term as eight years, where there is competition, *Baxter* 619.

Refusal of the Chancellor of the Exchequer to consent to a contract for ten years in the present case of the American mails, *Scudamore* 891—Long contracts made with the Peninsular and Oriental and the Royal Mail Steam Packet Companies, *ib.* 1072-1076—Reduction of the period, first demanded, from eleven years to eight years, *Right Hon. G. W. Hunt* 1141. 1154—Objection by witness's company to any large outlay on new ships, unless under a postal contract for not less than eight years, *Burns* 1391.

Condemnation by Treasury Minute in 1860 of the principle of long contracts, *Rep.* iii—Duration of the Cunard and Inman contracts for a period of seven years, with twelve months' notice, *ib.*

Recommendation that in consequence of the delay in submitting the contracts to Parliament, and the probable inconvenience in consequence to the contractors, an option be given them of continuing the contracts for a shorter period, *Rep.* vi.

E.

EFFICIENCY OF SERVICE :

Conclusion that there would be no difficulty to an efficient performance of the American mail service, if subsidies were abolished altogether; there would, moreover, be a much more frequent service if letters might be marked to go by any particular ship, *Taylor* 22. 53-57. 64-70—Concurrence in the opinion that subsidies are not necessary in order to secure an expeditious and punctual mail service with America, *P. Hill* 165; *Duncan* 381-383. 391, 392—Expected increase of speed if subsidies were discontinued, and if the companies were paid by the number of letters conveyed, *P. Hill* 166—Attention paid to punctuality and speed, irrespectively of the conveyance of mails, *Wallis* 214-216; *Duncan* 359, 360. 391, 392—Similar class of vessels built by witness's company, even though no mails were carried, *Wallis* 279, 280.

Opinion that subsidies are not necessary in order to secure an expeditious and punctual mail service with America, *Duncan* 381-383. 391, 392—Facility of arranging for four or five first-class services weekly to America, *ib.* 444, 445—Excellent manner in which the service is performed by the Cunard fast boats, *F. Hill* 549—Opinion that by paying according to the weight of letters carried, the service would be conducted quite as efficiently as at present, and that in time a daily post would be the result, *Baxter* 620-

630—

Report, 1869—continued.

EFFICIENCY OF SERVICE—continued.

630—Belief that by resorting to open competition, and by paying according to the freight of the mail bags, Government would in a short time secure an efficient and rapid service, *Baxter* 633-637. 653—Expected punctuality and expedition irrespectively of subsidies, *ib.* 642. 648.

Inconvenience for a time if the Cunard and Inman Companies declined to convey the mails without a subsidy; there are, however, other good lines available, *Robinson* 744, 745. 747-749—Punctual departure and expeditious passages of witness's vessels, irrespectively of any subsidy, or of conveyance of the mails, *Guion* 777-782.

Effect of a subsidy for a term of years in securing good ships being placed on the line, *Right Hon. G. W. Hunt* 1141. 1180-1182—Concurrence of testimony as to the very satisfactory character of the tri-weekly postal service to the United States under the Cunard and Inman contracts, *Sturgis* 1215-1217. 1246-1249; *Hamilton* 1291, 1292. 1323; *Morgan* 1338, 1339. 1342.

Circumstance of the Inman boats having run regularly without a subsidy, the homeward mails being also regularly delivered without a subsidy, *Sturgis* 1266-1270—Opinion that it would be almost impossible at once to find any efficient substitute for the fleet of the Cunard and Inman Companies, *ib.* 1282-1284—Probability of some of the large boats being laid up in winter, if not required under contract for the mails, *Hamilton* 1333-1336.

Intention of the Cunard Company to give a better service under the contract than was stipulated for, *Burns* 1496-1499—Slower boats run by the company in winter but for the subsidy, *ib.* 1556-1558—Practice of witness to run his vessels on fixed days, though but for the mail contract he would run his vessels less quickly, and at a much less consumption of coals, *Inman* 1658-1665. 1709-1711.

Regular and expeditious character of both homeward service and outward service, *Rep. v.*

See also *Cunard Company, 2. Non-ratification of Contracts. Penalties. Queenstown. Slow or Cargo Boats. Tri-weekly Service.*

Emigrants. Character of the official restrictions and requirements on the part of the Emigration Board in the case respectively of English ships and of foreign ships taking emigrants from this country, *Inman* 1688-1691.

F.

Foreign Mails (Contract Packets). Question considered whether the prohibition of the Cunard and Inman boats from carrying mails for other countries should not be removed, *Scudamore* 943-951—Understanding as to the Cunard Company being precluded from carrying foreign mails, *Burns* 1563-1565. 1593, 1594.

Freights. Unfair competition as to freights through the system of subsidies, *Wallis* 220, 221; *Duncan* 388. 426. 430-434; *Baxter* 624, 625; *Robinson* 737—Denial that, through the subsidy, the Cunard company charges a lower freight than other companies, *Burns* 1390—Advantages of the French and German companies, which enable them to convey passengers and goods at reduced rates, *ib.* 1391-1394. 1481-1485—Argument that though the large subsidy formerly paid to Messrs. Cunard may have enabled them to take lower freights than unsubsidised companies, the small subsidy now paid to the Cunard and Inman companies has no such effect, *Inman* 1636-1647. 1717-1720.

French Line of Packets. Calculation that the French line receives about 16 s. 4 d. a mile for the Atlantic service, whilst the contracts with the Cunard and Inman companies come to only 2 s. or 2 s. 6 d. a mile, *Burns* 1392. 1394.

G.

Glasgow. Statement of the course of post from Glasgow to New York *via* Queenstown and *via* Southampton, in March and August 1868, *App.* 156—Particulars of homeward passages of the mail packets in 1868, and of the time of delivery of the mails in Glasgow, *via* Queenstown and *via* Southampton, *ib.* 175-186.

Greenock and Belfast. Circumstance of Mr. Burns carrying the mails between Greenock and Belfast for nothing, *F. Hill* 517-519; *Baxter* 627, 628—Explanation of the circumstances under which witness's company carry the mails between Greenock and Belfast for nothing, *Burns* 1408.

Guion, Stephen Barker. (Analysis of his Evidence.)—Is Chairman of Guion's Company, owning the Liverpool and Great Western line of steamers, 754—Very similar speed of the vessels of witness's company and of the Cunard slow vessels, 755-761—Arrangement

Report, 1869—continued.

Guion, Stephen Barker. (Analysis of his Evidence)—continued.

ment as to witness's vessels calling at Queenstown for passengers, so that they could at the same time take the mails on board, 762-767. 784-786 — Possession of five boats by witness's company, there being another nearly completed; facility of carrying out a weekly mail service when the sixth vessel is ready, 768-772. 787-792 — Willingness of witness to undertake the weekly service at the rate of a penny an ounce, if a penny postage be adopted, 737-776. 783. 787-792 — Punctual departure and expeditious passages of witness's vessels irrespectively of any subsidy, or of conveyance of the mails, 777-782.

H.

HAMBURG-AMERICAN STEAM PACKET COMPANY:

Several representations made by witness's firm to the Post Office in October, November, and December last, with reference to the discontinuance of the contract with the Hamburg-American Steamship Company for a weekly service from Southampton, *Taylor* 16-19.

Conveyance of a weekly mail by the company from Southampton to New York for ten months in 1868, *Duncan* 295, 296 — Particulars relative to the length of the passages of the company's vessels for each month in the year, the average for the whole year, being eleven days eight hours and eight minutes, *ib.* 297-324 — Comparison between the passages made by the company's vessels from Southampton and by the Cunard boats from Queenstown, allowance being made for the difference between those places, *ib.* 325-335.

Total of 5,412 *l.* earned by the company from the mail service in 1868, subject to the question of the infliction of certain fines for delay in departure, and for overtime, *Duncan* 336-346 — Strong complaint by the company against the threatened fines, the result being that they threw up the contract, *ib.* 336-346. 443 — Several new boats in the possession of the company, all being built on the Clyde, and their size being about 2,500 tons, *ib.* 347. 373-379. 385-387 — Explanation in connection with the tender of the company in 1867; grounds for complaint of unfair treatment as compared with the Cunard and other lines, *ib.* 348-354.

Better terms demanded by the company under their tender in 1868 than in 1867; demand for an additional sum of 12,000 *l.* if a weekly instead of a fortnightly service were required in the three winter months, *Duncan* 355, 356. 408-414. 429 — Statement in explanation of a recent offer by the company for a mail service from Queenstown every Sunday for 25,000 *l.* per annum, *ib.* 361-370 — Explanatory statement relative to the receipts of the Hamburg-American Company in respect of the Prussian postage and French postage, *ib.* 400-407. 435-442. 1199, 1200 — Willingness of the company to convey the mails at 1 *s.* an ounce, though the amount earned at that rate in 1868 was much less than was expected, *ib.* 426-429.

Readiness of the Hamburg-American Company to start its boat from Southampton on Saturday, *F. Hill* 547 — Opinion that a certain penalty in the case of the company should not have been enforced, *ib.* 572-574.

Circumstance of the Hamburg-American Company having recently offered to run from Queenstown at 10,000 *l.* less than the Cunard Company; earnings of the former company from the German postage adverted to hereon, *Scudamore* 937-943. 1110 — Very good character of some of the vessels of the company, *ib.* 952 — Lower demand of the company for calling at Queenstown than 25,000 *l.*, but for the vessels coming all the way from Hamburg, *Duncan* 1200.

Return showing the performances of the company's vessels from Southampton to New York since 1st January 1869, *App.* 148 — Statement showing the average monthly passages in 1868 of the mail steamers belonging to the Hamburg-American and other companies respectively, *ib.* 150 — Return showing the relative performances in 1868 of the four fastest steamers of the Cunard Company and of the Hamburg-American Company; greater speed of the vessels of the latter company, *ib.* 151.

Return showing the actual performance of each vessel of the company on each voyage to New York in 1868, *App.* 163-174 — Average length of the voyages outwards, and of the voyages homewards in 1868, *ib.* 187. 190.

Hamilton, Francis Alexander. (Analysis of his Evidence.)—Is partner in the firm of Messrs. Brown, Shipley, & Co., 1289, 1290 — Very satisfactory character of the tri-weekly postal service to the United States under the Cunard and Inman contracts, 1291, 1292. 1323 — Advantage of Queenstown over Southampton as the port of departure and arrival of the mails, 1293-1297. 1321, 1322 — More speedy delivery of the homeward mails by the Cunard boats than by other boats, 1295. 1322 — Opinion that a subsidy of 105,000 *l.* a year for three weekly services is a very reasonable sum, 1298-1300 — Doubt whether any other two companies besides the Cunard and Inman companies could run vessels three times a week, 1301, 1302. 1326.

Confusion expected if the contracts be suddenly terminated, 1303 — Absence of hardship

Hamilton, Francis Alexander. (Analysis of his Evidence)—continued.

ship in the present rates of postage, 1304—Advantage of the present rates, with speed and regularity, rather than of lower rates and an irregular service, 1306—Tendency of the conveyance of the mails to cause speedy passages, *ib.*—Approval of the acceptance of cheaper services, if equally efficient and regular; doubt on the latter point, 1307-1311.

Improbability of an efficient service, more especially in winter, unless there be a subsidy, 1312-1320. 1324, 1325—Want of regularity in the delivery of the homeward mails, 1329-1332—Probability of some of the large boats being laid up in winter if not required under contract for the mails, 1333-1336.

Hartington, The Marquis of (Member of the House). (Analysis of his Evidence.)—Completion of the Cunard and Inman contracts before witness became Postmaster General, 793—Explanation as to the delay before the contracts were laid on the table of the House, 797, 798. 810, 811—Grounds for objecting to the production before the Committee of certain official minutes and papers in connection with the contracts, 799-802. 805-809.

Hill, Frederic. (Analysis of his Evidence.)—Is Assistant Secretary of the Post Office; has had considerable official experience in connection with the packet service, 446-450—Reference to a Treasury Minute of 16th April 1860, as laying down the principles that the packet service should, as far as possible, be rendered self-supporting, and that long contracts should be avoided, 451-455—Further principle laid down in this Minute, that the payment should not be a fixed sum, but should rise and fall with the number of letters conveyed, 454.

Statement as to the Cunard and Inman contracts now under consideration being entirely at variance with the Treasury Minute of April 1860; 456-458—Calculation that whereas the payment under these contracts is 105,000 *l.*, the value of the postage carried by the Cunard and Inman boats would be only from 50,000 *l.* to 60,000 *l.*; 457. 459-470—Omission from the contracts of security for the efficient or punctual performance of the service, 457, 458. 472. 556-559—Objections placed on record by witness at the Post Office to the contracts in question, 471.

Disapproval of long contracts as debarring the Post Office from taking advantage of the frequent improvements in steam conveyance, 473—Dissent from the view that an increase of 10 per cent. per annum is likely to take place in the receipts from American postage for some years to come, 474. 521-523—Tendency of the present contracts to prevent reduction in the rate of postage, 475, 476. 609.

Negotiation by witness in 1867 of the postal convention with the United States, which came into operation in 1868; comment upon the speedy termination of this convention, and upon the substitution of another, which, in witness's opinion, is a very objectionable one, 477-487—Rule of the Post Office to give the sea postage for the mail service, where no subsidy is given, 488-492—Circumstance of the United States paying only 6 *d.* per ounce, and obtaining a very efficient service, 493-497.

Very little value attached to the Wednesday service by the Cunard slow boats, 498. 548. 551-555—Comparison between the tenders in October 1867, on the principle of payment by the sea postage, and the contracts of 1868 involving payments of 105,000 *l.* a year; advantages of the former, 500-514—Belief as to the facility of securing an efficient service by giving only the sea postage in payment, 513. 515-520, 543-547—Circumstance of Mr. Burns, of Glasgow, carrying the mails between Greenock and Belfast for nothing, 517-520.

Statement that witness and Mr. Pearson Hill have not been authorised to express any departmental views before the Committee, and that Mr. Tilley and Mr. Scudamore differ from witness on the subject 524-533—Question considered whether certain postal contracts entered into since 1860, are in accordance with the principles laid down in the Treasury Minute of that year, 534-542.

Belief that the time has arrived when subsidies may be dispensed with for the service to America, and that any inconvenience, or any less efficiency of service would be but temporary, 543-547. 580—Frequent offer by Mr. Inman to convey the letters for the sea postage, 547—Readiness of the Hamburg-American Company to start its boat from Southampton on Saturday, *ib.*—Excellent manner in which the service is performed by the Cunard fast boats, 549—Objection to any continuance of the subsidy for the Cunard fast service, 550.

Abandonment of the practice of sorting on board, without causing any delay in delivery, 560-562—Conclusion as to the sufficiency of the sea postage at 1 *s.* an ounce for the remuneration of the companies, and as to the propriety of first deducting the full penny for the inland postage, 563-571. 601—Opinion that a certain penalty in the case of the Hamburg-American Company should not have been enforced, 572-574.

Character of the obligation upon steamship companies to carry letters for the Post Office, and to deliver them upon arrival at any port, 581, 582. 602-606—Question whether, without a subsidy, the Cunard boats could be required to receive or wait for mails at Queenstown; this may be provided for by contract, 582-600.

Report, 1869—*continued.*

Hill, Frederic. (Analysis of his Evidence)—*continued.*

Over-estimate involved in a calculation that 111,700 *l.* was derived from American sea postage in 1868; 607—Statement as to witness having shown, in October 1867, that the calculation of Mr. Scudamore relative to the Cunard contract for 1868, was quite fallacious, 608.

Hill, Pearson. (Analysis of his Evidence.)—Has been in the Post Office for nineteen years, and is well conversant with mail service statistics, 73-76—Supplies particulars of the time occupied in the conveyance of letters from different parts of the United Kingdom to New York *viâ* Queenstown and Southampton, respectively, 77-81—Statement showing the time occupied, and the delay incurred in the case of letters sent by the Cunard cargo boats, sailing from Queenstown to Boston on Wednesday, 81-89. 143-150.

Abolition of sorting on board since the 1st January, 90, 91—Explanation and correction of a certain Post Office return which estimates at 111,700 *l.* the amount received in 1868, for the sea postage to America; corrected estimate, by which the amount is calculated at 75,000 *l.*, 92-100. 123-125—Estimated loss of nearly 40,000 *l.* a year, if the Cunard and Inman contracts be ratified, 100—Increased loss upon these contracts, accordingly as additional contracts are given for other services to the States, 100, 101—Payment of about three times as much per ounce under the contracts in question, as is paid by the United States for letters to this country, 102, 103.

Difference of opinion at the Post Office upon the question of confirming the contracts and the subsidies, Mr. Frederick Hill being strongly opposed to the contracts and Mr. Tilley being favourable to them, 104-108—Information relative to tenders by the Hamburg-American Company and the North German Lloyd's Company on the principle of an ocean postage, the Cunard and Inman companies having declined to tender without a subsidy, 109-122.

Consideration of the question of preparing a return showing the time occupied in conveying letters from London, Liverpool, Belfast, and other large towns, to New York, and *vice versâ*, *viâ* Queenstown and Southampton, respectively, 126-139—Average of twelve days and twelve hours occupied by the North German Lloyd's boats between Southampton and New York, the average of the Cunard and Inman passages from Queenstown being twelve days and nine hours, 141.

Actual time occupied by the "Tripoli," "Palmyra," and other slow boats, or cargo boats of the Cunard Company, between Queenstown and America, 145-150—Question considered whether the North German Lloyd's boats from Southampton, on Tuesday, might not be dispensed with if there were a fast boat from Queenstown on Wednesday, 151-155.

Payment of about 12,000 *l.* under the contract with the North German Lloyd's line, the contract being terminable on six months' notice, 157, 158—Payment of 70,000 *l.* to the Cunard line for two weekly services from Queenstown, under the contract now awaiting confirmation, *ib.*—Payment of 35,000 *l.* for one weekly service by the Inman line, 158—Termination of the contract for 1868, by which the Cunard Company received 80,000 *l.*, 159-161—Retention by the Cunard Company of what they receive from the United States for the home sea postage, the amount being about 9,000 *l.* a year, 162-164—Loss of 40,000 *l.* by the Post Office under the Cunard contract in 1868; 164.

Belief that if subsidies were abolished the postal services with New York would not be less efficient or less frequent, 165—Stoppage of the chief steam packets at Queenstown, irrespectively of the question of a subsidy, *ib.*—Probability of just as good a service if Messrs. Cunard were merely paid a penny a letter, *ib.*—Expected increase of speed if subsidies were discontinued, and if the companies were paid by the number of letters conveyed, 166.

Practical operation since 1st January of the contract now awaiting confirmation, 167-172—Far worse terms on which the North German Lloyd's Company are placed than the Cunard and Inman Companies, 173-185—Expectation that departure on fixed days may be secured without resorting to subsidies, 186, 187—Absence of disadvantage if letters are delivered at New York in the stipulated time, though the vessels may be late in departure, 188.

"*Holsatia*," *The.* Great speed of the "Holsatia," one of the fleet of the Hamburg-American Company, *Duncan* 1200.

Homeward Mails. Retention by the Cunard Company, under the present contract, of what they receive from the United States for the home sea postage, the amount being about 9,000 *l.* a year, *P. Hill* 162-164—Circumstance of the United States paying only 6 *d.* per ounce for the mails to England, and obtaining a very efficient service, *F. Hill* 493-497—Efficient conveyance of the United States mails to this country in other than Cunard vessels, *Maris* 676-678—Use by the United Government, of the fastest lines for the conveyance of mails to this country, *Robinson* 740-743.

Payment by the American Government of fifteen cents per ounce for the conveyance of the mails to England, *Scudamore* 971, 972—Explanation as to the unexpectedly large loss

493
1*Homeward Mails*—continued.

loss on the contract for the Cunard return service in 1868, the American postage having been largely reduced, *Scudamore* 981-986. 1128-1130—The cost of the homeward service 1868 was about 40,000 *l.*, and the return received about 9,000 *l.*; *ib.* 982—Statement of the cost incurred by this country and the United States, respectively, in the matter of the homeward mails to England; very small cost incurred by the States, *ib.* 1032. 1037-1045.

More speedy delivery of the homeward mails by the Cunard boats than by other boats, *Hamilton* 1295. 1322—Want of regularity in the delivery of the homeward mails, *ib.* 1329-1332.

Recent arrangement between witness's company and the United States Government, from week to week, by which the former receive twenty cents, or about 8 *d.* per ounce for the mails to this country, *Burns* 1401-1403. 1417-1421—Belief as to the American Government having sent letters by the "Samaria," one of the Cunard Tuesday boats, *ib.* 1536-1538.

Loss incurred by witness's Company on the conveyance of the homeward mails in 1868, so that they have refused to continue the arrangement; similar refusal of the other companies unless the rate of payment be increased, *Inman* 1607-1613—Demand made by witness's company on the United States Government for an increased rate, the receipts in such case being however much less than the subsidy from the English Post Office; denial that the latter has anything to do with the comparatively low rate for which the homeward mails are carried, *ib.* 1684-1687. 1753-1762. 1767-1771—Cause of the much smaller receipts of the Cunard vessels than of witness's vessels for the homeward mails, *ib.* 1751, 1752.

Amounts received from Messrs. Cunard in 1868, in respect of the conveyance of the homeward mails, *App.* 149. 192.

Statement showing the several mails dispatched from New York to the United Kingdom by mail packet during each month of 1868, the period of arrival in this country, and the time in which the letters contained in such mails were delivered in London, Liverpool, Manchester, Glasgow, and Belfast, distinguishing in each case between arrival at Queenstown and at Southampton, *App.* 175-186.

Estimate of 107,597 *l.* as the gross postage homewards in 1868, *App.* 193.

Absence of complaints as to the performance of the homeward service, *Rep.* v.
See also United States.

Hull. Statement of the course of post from Hull to New York, *via* Queenstown and *via* Southampton in March and August 1868, *App.* 155.

Hunt, The Right Honourable George Ward. (Analysis of his Evidence.)—Was, as Chancellor of the Exchequer, chiefly responsible for the financial terms of the Cunard and Inman contracts, 1134, 1135—Suggestion that in fairness to contractors steps should be taken for removing the difficulty experienced when contracts are entered into by Government some time before it can be known whether they will be ratified by Parliament, 1136, 1137—Reference to the proceedings in the House of Commons last Session in the matter of Mr. Baxter's motion on the subject of fixed subsidies, as showing that the House did not wish to bind the Government by any rigid rule, 1138—Denial that there was any private understanding between witness and Mr. Baxter relative to the withdrawal of the motion made by the latter, 1139.

Statement as to Government having failed in their efforts in 1868 to obtain tenders for the American service at postage rates, 1139, 1140—Conclusion of witness that the German companies as not tendering to call at Queenstown were ineligible, 1140. 1173, 1174—Determination of witness that the services should be, as far as possible, self-supporting, 1140. 1175, 1176—Resolution finally that an abatement of the terms of the Cunard and Inman Companies was the best mode of securing a service which should be at the same time efficient and self-supporting, 1140, 1141.

Important abatements stipulated for by witness in the terms of Messrs. Cunard and Mr. Inman, the result being that the two contracts should embrace three services weekly, for 105,000 *l.* a year, over a period of eight years, 1141-1154—Post Office estimate supplied to witness (before the payment of 105,000 *l.* was arrived at) showing that the ocean and inland postage for 1868 would produce about 112,000 *l.*; 1141-1143. 1146. 1168-1172—Effect of a subsidy for a term of years in securing good ships being placed on the line, 1141. 1180-1182—Statement of the dates when the terms were agreed to by the late Government and by the contractors respectively subsequent lapse of nearly two months before the Government went out of office, 1141-1143. 1195, 1196.

Reasons for Government not having re-advertised for tenders, when none were received in the form required, 1143. 1161—Conclusion that with the increase of postage, which may be fairly expected, there will ere long be a considerable balance in favour of the Exchequer, which may be used in the way of a reduction of the rate; data

Hunt, The Right Honourable George Ward. (Analysis of his Evidence)—*continued.*

for this conclusion considered, 1143-1152. 1168-1172. 1175-1179—Inaccuracy of the view that Messrs. Cunard and Mr. Inman dictated their own terms, 1153, 1154.

Advantage of Messrs. Cunard and Mr. Inman in 1867, in their being the only firms who tendered to call at Queenstown; statement hereon in justification of the temporary contract made in that year for 1868, 1155-1163—Doubt as to the regulations in force in the United States which enable the Government to provide a much cheaper service than is obtained by the British Government, 1164-1167—Prejudice to economy in postal contracts through the restrictions as to the contracts being submitted to Parliament, and through the publicity in consequence of inquiries in the House pending negotiations, 1166. 1191-1194.

Opinion that an immediate termination of the contracts would cause serious inconvenience, 1183-1185—Explanation as to some non-postal conditions being retained in the contracts, these having reference chiefly to Admiralty purposes, 1186-1190—With regard to any recent proposals or tenders, the late Government had none of these before them in deciding to make the contracts, 1197.

I.

Increase of Postage. Dissent from the view that an increase of 10 per cent. per annum is likely to take place in the receipts from American postage for some years to come, *F. Hill* 474. 521-523—Calculated increase of postage adverted to, in connection with the reduction through the American civil war, *Scudamore* 1123-1127—Particulars in connection with estimates made by the Post Office authorities relative to the increase of American postage by reducing the rate to 6 *d.*, and the earnings to be derived under the Cunard contract of 1868, *Chetwynd* 1774 *et seq.*—Large increase since 1863 in the amount of American letters; prospect of further increase from year to year, *ib.* 1840-1850.

Statement showing the total estimated number of international letters sent to and received from the United States during the years 1863, 1865, 1866, 1867, and 1868 respectively, and the increase or decrease per cent., *App.* 194.

Conclusion of the Committee that some further increase of correspondence may be expected, *Rep.* v.

India. Statement showing that, in the case of India, it has been held that it should not be attempted too rigidly to make the postal service self-supporting, *Scudamore* 838-841—With regard to the question of the postal service with India not being self-supporting, there is not the same competition on that line as on the line to the United States, *ib.* 1015-1019.

Inland Postage. Conclusion as to the sufficiency of the sea postage at 1 *s.* an ounce for the remuneration of the companies, and as to the propriety of first deducting the full penny for the inland postage, *F. Hill* 563-571. 601—Grounds for concluding that the gross postage of 6 *d.* should be applicable for the payment of transmission across the ocean; practice of the United States adverted to hereon, *Scudamore* 906-909—Further evidence upon the question of including both inland and sea postage in the computation, showing that, in such cases, the service will be self-supporting, *ib.* 935. 1029-1036.

Difficulty in arriving at the separate cost incurred by the Post Office in respect of the inland postage on the American correspondence; very limited amount of this expense, *Chetwynd* 1826-1832—Average of about $\frac{3}{4}$ *d.* per inland letter as the cost of collection, transmission, and distribution, *Scudamore* 1832.

Difference of opinion at the Post Office upon the question of the inland postage on American letters being credited to the service, *Rep.* v.

Inman, William. (Analysis of his Evidence.)—Is managing owner of the Liverpool, New York, and Philadelphia Steam Ship Company, 1597—Explanation of the circumstances which led witness and his co-owners in 1868, to demand a subsidy for the conveyance of the mails to America, in lieu of their continuing to convey them on the basis of the ocean postage, 1598—Undue competition to which the vessels of witness's company are, and have been subjected on the part of foreign companies, *ib.*—Statement of the arrangements with the United States Government, under which witness's company carried the outward and homeward mails in 1866 and 1867; amount of payment in each year, 1599, 1600.

Contract with the British Government for carrying the mails at 1 *d.* an ounce outward, there being also a regular rate for carrying the homeward mails, 1601-1603—Total receipt of 31,800 *l.* for one full service in 1868, the American rate producing only about 9,000 *l.* of this amount, 1604-1607—Loss incurred by the company on the conveyance of the homeward mails in 1868, so that they have refused to continue the arrangement; similar refusal of the other companies, unless the rate of payment be increased, 1607-1613.

Particulars

405

Inman, William. (Analysis of his Evidence)—continued.

Particulars relative to the surveys to which the vessels of witness's company are subjected, whilst foreign vessels are exempt from such surveys, and from the heavy expense consequent thereon, 1614-1620. 1705-1707. 1746-1750—Detention and expense through witness's vessels calling at Queenstown for the mails; but for the mails they would not always call there, 1621, 1622. 1648-1657. 1697-1705—Total of 2783 nautical miles from Queenstown to New York, 1623—From Southampton to New York the distance is 3,081 miles, 1623.

Strong complaint as to the penalties put upon witness's company by the Post Office, 1624. 1661—Refusal of witness to be bound by any penalties on the part of the United States; recent refusal also to wait for the mails, 1625-1627—Large consumption of coals when great speed is requisite, the conveyance of the mails thus leading to much increase of expense, 1628-1633—Doubt as to witness's company getting any more passengers through the conveyance of the mails, 1634, 1635.

Argument that though the large subsidy formerly paid to Messrs. Cunard may have enabled them to take lower freights than unsubsidised companies, the small subsidy now paid to the Cunard and Inman Companies has no such effect, 1636-1647. 1717-1720—Grounds for the conclusion that the whole of the subsidy under witness's present contract will be fully absorbed in the increased outlay incurred, 1637. 1705-1710—Practice of witness to run his vessels on fixed days, though but for the mail contract he would run his vessels less quickly, and at a much less consumption of coals, 1658-1665. 1709-1711.

Explanation as to the inducements to witness to come under his present contract with the Post Office, though he contends he will not be a gainer by the arrangement, 1666-1683. 1713-1722—Demand made on the United States Government for an increased rate, the receipts in such case being however much less than the subsidy from the English Post Office; denial that the latter payment has anything to do with the comparatively low rate for which the homeward mails are carried, 1684-1687. 1753-1762. 1767-1771—Character of the official restrictions and requirements on the part of the Emigration Board, in the case respectively of English ships and of foreign ships taking emigrants from this country, 1688-1691.

Serious loss to the Inman Company if the contract were suddenly terminated, 1708-1711—Explanation as to witness having formerly been a strong advocate for open competition in the conveyance of the mails to America, and having contended that the Cunard line was not essential as the means of furnishing an efficient service, 1717-1736—Additional vessels recently provided by witness's company, irrespectively of postal subsidies, 1737-1739.

With regard to the good bargains made by the United States for the carriage of the mails, there is no doubt but in the present instance the English Government has made an uncommonly good bargain, 1740-1745—Cause of the much smaller receipts of the Cunard vessels than of witness's vessels for the homeward mails, 1751, 1752—Opinion as to the oppressive character of the system of ship letters, if now enforced upon ship-owners, 1765, 1766.

Inman Line. See *Liverpool, New York, and Philadelphia Steam Ship Company.*

L.

Length of Passage. Statement showing the performances of the steamers conveying the mails to America from the 1st January to the 8th February 1869, distinguishing the several lines to which the steamers belong, *App.* 147—Return showing the time occupied in the voyages from Southampton and Queenstown to New York and Boston, by different lines of mail packets since the beginning of 1869, taking the time of arrival as stated in the "Times" newspaper, *ib.* 148—Calculation as to the length of passage of all the steamers from Queenstown to New York in each month in 1868, *ib.* 150.

Return showing the monthly performances of steamers conveying mails to New York in the year 1868, distinguishing in each case the port of departure and the name of the vessel, *App.* 163-174—Similar return relative to homeward voyages, *ib.* 175-186—Average length of the voyages outwards and homewards performed by the several lines of contract steamers conveying the American mails in 1868, *ib.* 187.

Limerick. Statement of the course of post from Limerick to New York *viâ* Queenstown and *viâ* Southampton, in March and August 1868, *App.* 159.

Liverpool. Particulars of homeward passages of the mail packets in 1868, and of the time of delivery of the mails in Liverpool *viâ* Queenstown and *viâ* Southampton, *App.* 175-186.

Liverpool Chamber of Commerce. Views of the Liverpool Chamber of Commerce as to the expediency of a reduction of the postage on American letters, *Rohinson* 732.

Liverpool and Great Western Line. Very similar speed of the vessels of witness's company and of the Cunard slow vessels, *Guion* 755-761—Arrangement as to witness's vessels calling at Queenstown for passengers, so that they could at the same time take the mails

Report, 1869—*continued.**Liverpool and Great Western Line—continued.*

on board, *Guion* 762-767. 784-786.—Possession of five boats by witness's company, there being another nearly completed; facility of carrying out a weekly mail service when the sixth vessel is ready, *ib.* 768-772. 787-792.

Liverpool, New York, and Philadelphia Steamship Company. Statement as to contracts not having been formerly entered into with Mr. Inman, though his vessels, as well as the Cunard vessels, sail under the British flag, *Scudamore* 993-998.

Explanation of the circumstances which led witness and his co-owners in 1868 to demand a subsidy for the conveyance of the mails to America, in lieu of their continuing to convey them on the basis of the ocean postage, *Inman* 1598—Grounds for the conclusion that the whole of the subsidy under witness's present contract will be fully absorbed in the increased outlay incurred, *ib.* 1637. 1705-1710—Explanation as to the inducements to witness to come under his present contract with the Post Office, though he contends he will not be a gainer by the arrangement, *ib.* 1666-1683. 1713-1722—Additional vessels recently provided by witness's company, irrespectively of postal subsidies, *ib.* 1737-1739.

Return showing the performances of the vessels of the company since 1st January 1869, *App.* 147, 148—Average monthly return of the passages of the company's vessels to New York in 1868, *ib.* 154—Return showing the actual performance of each vessel of the company on each voyage to New York in 1868, *ib.* 163-174—Similar return as regards homeward voyages, *ib.* 175-186—Average length of the voyages outwards and of the voyages homewards in 1868, *ib.* 187. 190.

See also *Combination.* *Duration of Contracts.* *Efficiency of Service.* *Non-ratification of Contracts.* *Postage.* *Subsidies.* *United States.*

London. Statement of the course of post from London to New York *via* Queenstown and *via* Southampton, in March and August 1868, *App.* 161—Return of the homeward passages of the mail packets in 1868, and of the time of delivery of the mails in London *via* Queenstown and *via* Southampton, *ib.* 175-186—Total of 4,100 letters posted in London on the 19th and 20th March for transmission by the packet sailing from Queens-town to New York on the 21st March, *ib.* 195.

Long Contracts. See *Duration of Contracts.*

M.

Manchester. Particulars of the course of post from Manchester to New York *via* Queens-town and *via* Southampton, in March and August, 1868, *App.* 153—Return of homeward passages of the mail packets in 1868, and of the time of delivery of the mails in Manchester *via* Queenstown and *via* Southampton, *ib.* 176-186.

Maris, Andrew. (Analysis of his Evidence.)—Is an American merchant, 665—Considers that the postal service by the Cunard slow boats is quite useless, 666-675. 679—Want of improvement in the Cunard boats, whereas there has been great improvement in the boats of the German companies, 675. 679—Efficient conveyance of United States mails to this country in other than Cunard vessels, 676-678.

Doubt as to the service *via* Queenstown being of much importance, 681-683. 686, 687—Less necessity for rapid postal communication since the use of the telegraph, 683. 692-694—Belief that a termination of the contracts would not lead to much present inconvenience, there being plenty of vessels available for carrying on an efficient service if it were open to competition, 684, 685. 688-691.

Morgan, J. S. (Analysis of his Evidence.)—Represents Mr. Peabody's firm, 1337—Testifies to the efficiency of the present mail service with America, 1338, 1339. 1342—Attaches much importance to the landing of the mails at Queenstown on the homeward voyage, as well as to their embarkation there on the outward voyage, 1339-1341. 1350, 1351—But little use of the Tuesday service is made by witness's firm, their correspondence being made up chiefly for the Wednesday and Saturday boats, as more convenient, 1343-1349. 1352-1357—The use of the telegraph does not in any way dispense with the necessity of rapid correspondence, 1358, 1359.

N.

National Steamship Company. 'Tenders made' by the Company for the conveyance of mails to the United States, an offer having just been made to carry letters at the rate of a penny an ounce, *Robinson* 706-709—Total of nine vessels owned by the company, the speed being on the average better than that of the Cunard slow boats, *ib.* 711, 712.

Explanation as to the inadmissibility of the tender of the National Steamship Company in 1868, *Scudamore* 882, 883.

Non-ratification

407

Non-ratification of Contracts. Belief that a non-ratification of the contracts would not lead to much present inconvenience, there being plenty of vessels available for carrying on an efficient service if it were open to competition, *Maris* 684, 685. 688-691.

Opinion that an immediate termination of the contracts would cause serious inconvenience, *Right Hon. G. W. Hunt* 1183-1185—Apprehension that an abrupt termination of the Cunard and Inman contracts would cause serious inconvenience, and that in winter the boats would probably only run at very irregular intervals if there were no subsidy, *Sturgis* 1223, 1224. 1231-1234. 1250-1258. 1263-1270. 1281-1284—Confusion expected if the contracts be suddenly terminated, *Hamilton* 1303.

Witness would never have agreed to the terms had he any idea that the bargain was to be reconsidered by Parliament, *Burns* 1369. 1517—Effect of a non-ratification of the Cunard contract in preventing the employment by witness's firm of an improved class of vessels of increased speed, *ib.* 1371-1375. 1409-1411—Witness submits that the contract in question having been purely and honestly made, and having been upheld by the Government, its non-ratification by Parliament would be a serious grievance to his company, *ib.* 1500-1507. 1566-1570.

Severe loss and prejudice to the Cunard Company by an abrupt termination of the contract, *Burns* 1508-1516. 1583, 1584—Objection by the company to tender for any similar contract if the present one be abrogated, *ib.* 1518—Serious loss to the Inman Company if the contract were suddenly terminated, *Inman* 1708-1711.

Grounds upon which the Committee recommend that the contracts with Messrs. Cunard and Inman be disapproved by Parliament, *Rep.* v.

Adoption, by the casting vote of the Chairman, of the recommendation that the contracts be disallowed, *Rep.* xv.

Dissent from the view of Messrs. Burns and Inman that the contracts were not liable to be disapproved by Parliament, in being entered into in good faith by both parties, *Rep.* vi.

See also *Compensation.* *Parliament.*

North German Lloyd's Company. Average of twelve days twelve hours occupied by the North German Lloyd's boats between Southampton and New York, the average of the Cunard and Inman passages from Queenstown being twelve days nine hours, *P. Hill* 141—Question considered whether the North German Lloyd's boats from Southampton on Tuesday, might not be dispensed with if there were a fast boat from Queenstown on Wednesday, *ib.* 151-155—Payment of about 12,000*l.* under the contracts with the North German Lloyd's line, the contract being terminable on six months' notice, *ib.* 157, 158—Far worse terms on which the North German Lloyd's Company are placed than the Cunard and Inman Companies, *ib.* 173-185.

The company have eleven steamers running to New York; particulars as to their tonnage, cost, speed, &c., *Wallis* 191-204—Average of eleven days twelve hours occupied by the company's vessels in 1868, from the lighthouse at the Needles to Sandy Hook lighthouse, *ib.* 206-212—Little, if any, expense entailed upon the company by the conveyance of the mails, *ib.* 217, 218—Conveyance of mails to America by witness's company for the North German Confederation; rate per ounce adverted to, *ib.* 229-238. 267-270—Probability of the company being willing to carry the mails at a reduced rate per ounce, if the bulk were to increase, *ib.* 244-248.

Equal speed and punctuality of the company's vessels if the terms for carrying the mails were reduced, *Wallis* 249. 253, 254—Explanation of the circumstances under which the company tendered for different terms in 1867 and in 1868, their present contract being terminable on six months' notice, *ib.* 255-266—Receipt by the company of about 12,000*l.* a year for a weekly service, *ib.* 281, 282—Net receipt of 9,504*l.* in 1868, the penalties having been almost rigidly enforced, *ib.* 283-290—Explanation that witness does not seek to compare his company's vessels with the Cunard fast boats, but rather with the slow boats, *ib.* 293.

Witness testifies to the efficiency of the communication between New York and Southampton by means of the North German line of boats, *Rodewald* 695-701—Error of a certain statement by witness as to the North German Lloyd's Company and the Hamburg-American Company being subsidised by foreign Governments, *Scudamore* 1003-1005—Particulars as to the postage rates received by witness's company from the German Government, *Wallis* 1201-1206.

Return showing the performances of the vessels of the company since 1st January 1869, *App.* 147, 148—Average monthly return of the passages of the company's vessels to New York in 1868, *ib.* 150—Return showing the actual performance of each vessel of the company on each voyage to New York in 1868, *ib.* 163-174—Average length of the voyages outwards and of the voyages homewards in 1868, *ib.* 187-190.

O.

Officers, Conveyance of. Inappreciable advantage to Government by the conditions in the Cunard contract as to the conveyance of officers of the army or navy, or as to the use of the vessels in the event of war, *Taylor* 71, 72—Objection to the contract requirements as to the conveyance of officers, &c., *Baxter* 655-657—Explanation as to some non-postal conditions being retained in the contracts, these having reference chiefly to Admiralty purposes, *Right Hon. G. W. Hunt* 1186-1190.

Operation of Contracts. Practical operation since 1st January of the contracts now awaiting confirmation, *P. Hill* 167-172; *Scudamore* 1112-1114—Circumstance of nothing having yet been received by the Cunard Company from Government under the contract, though it has been operative since the 1st January, *Burns* 1396, 1397.

P.

Page, William James. (Analysis of his Evidence.)—Explains, on the part of the Post Office, the points of difference between the convention of last year with the United States and the convention of the previous year, 1207-1211—The only penalties in any of Messrs. Cunard's contracts were for not having a vessel on the appointed day; there has been no failure in this respect, 1212, 1213.

Parliament (Ratification of Contracts). Explanation as to the delay before the Cunard and Inman contracts were laid on the table of the House, *Marquis of Hartington* 797, 798, 810, 811—Suggestion that, in fairness to contractors, steps should be taken for removing the difficulty experienced when contracts are entered into by Government some time before it can be known whether they will be ratified by Parliament, *Right Hon. G. W. Hunt* 1136, 1137—Prejudice to economy in postal contracts through the restrictions as to the contracts being submitted to Parliament, and through the publicity in consequence of inquiries in the House pending negotiations, *ib.* 1666, 1161-1194.

Positive belief of witness that the bargain made with Government would be readily ratified by Parliament, otherwise he would never have sanctioned the arrangement, *Burns* 1369, 1370, 1517.

Dissent from the view of Messrs. Burns and Inman, that the contracts were not liable to be disapproved by Parliament, if entered into in good faith by both parties, *Rep.* vi—Probable hardship and inconvenience to the contractors through the delay in submitting the contracts to the consideration of Parliament, *ib.*

Recommendation that all future mail contracts should be considered by the Government, and brought before the House of Commons in the spring rather than in the autumn of the year preceding their expiration, *Rep.* vi—Undue limit to inquiry, through the contracts not having been placed on the table of the House on the assembling of Parliament, *ib.*

See also *Non-ratification of Contracts. Publicity.*

Passengers. Selection of the fastest boats by passengers, *Taylor* 35—Doubt as to witness's company getting any more passengers through the conveyance of the mails, *Inman* 1634, 1635.

Penalties. Severe penalties upon the North German Company as to time, there being no such penalties in the case of the Cunard or Inman steamers, *Wallis* 271, 277, 278, 284-290—Comment upon the rigid enforcement of penalties against the North German line, *ib.* 284-290—Strong complaint made by the Hamburg-American Company against certain fines proposed to be inflicted by the Post Office, *Duncan* 336-346, 443—Circumstance of the Cunard or Inman packets not being bound to time under the present contract, *ib.* 416-420.

Omission from the contracts of any security for the efficient or punctual performance of the service, *F. Hill* 457, 458, 472, 556-559—Exception taken to the infliction of a certain penalty in the case of the Hamburg Company, *ib.* 572-574—Complaint as to the Cunard and Inman vessels not being bound as to the time of the passage, whilst the German companies are so bound, *Baxter* 643-647—Very little importance attached to fines for non-punctuality, *ib.* 652—Tendency to the use of cargo boats if there were no penalty for over-time, *Robinson* 727.

Refusal of Messrs. Cunard and Mr. Inman to be bound by penalties as to speed and time, *Scudamore* 913—Little importance attached to penalties, the passages of the Cunard and Inman boats having been very satisfactory, irrespective of penalties, *ib.* 914-923, 1014, 1109—The only penalties in any of Messrs. Cunard's contracts were for not having a vessel on the appointed day; there has been no failure in this respect, *Page* 1212, 1213.

Statement

Report, 1869—continued.

Penalties—continued.

Statement of the grounds of objection by the Cunard Company to any penalties under the contract, though strongly urged by Mr. Scudamore, *Burns* 1404-1406. 1486-1489—Strong complaints as to the penalties put on witness's Company by the Post Office, *Inman* 1624. 1661.

Statement showing the penalties in 1868, in the case respectively of the *Inman*, the North German Lloyd, and the Hamburg-American Company, *App.* 196.

Peninsular and Oriental Steam Packet Company. Long terms of the postal contracts with the Peninsular and Oriental Steam Packet Company, *Scudamore* 1073-1076.

Penny Postage. Offer by Messrs. Guion and Co. to convey the mails weekly for a penny per ounce, *Taylor* 26—Probability of just as good a service if Messrs. Cunard were merely paid a penny a letter, *P. Hill* 165—Statement in favour of a penny postage to America, even though the sixpenny rate were also retained for business letters by fast boats, *Robinson* 732-736. 750-753—Willingness of the United States Government to consent to the adoption of a penny postage, *ib.* 738. 745, 746—Expected large increase of letters if there were a penny rate, *ib.* 752—Willingness of witness to undertake a weekly service at the rate of a penny an ounce, if a penny postage be adopted, *Guion* 773-776. 783. 787-792.

"*Persia*," *The.* Explanation of the circumstances under which the "*Persia*," which cost 160,000*l.*, was sold for 50,000*l.*, *Burns* 1380-1382.

Post Office. Difference of opinion at the Post Office upon the question of confirming the contracts and subsidies, Mr. Frederic Hill being strongly opposed to the contracts, and Mr. Tilley being favourable to them, *P. Hill* 104-108—Objections placed on record by witness at the Post Office to the contracts in question, *F. Hill* 471—Statement that witness and Mr. Pearson Hill have not been authorised to express any departmental views before the Committee, and that Mr. Tilley and Mr. Scudamore differ from witness on the subject, *ib.* 524-533.

With respect to the advantage possessed as regards competition by foreign vessels carrying foreign mails, the English Post Office should in any case make the best bargain in its power, *Baxter* 638-641. 655-659.

Completion of the Cunard and Inman contracts before witness became Postmaster General, *Marquis of Hartington* 793—Explanation as to the delay before the contracts were laid on the table of the House, *ib.* 797, 798. 810, 811—Grounds for objecting to the production before the Committee of certain official minutes and papers in connection with the contracts, *ib.* 799-802. 805-809.

Evidence in support of the view that the Post Office has not been rigidly instructed by the Treasury, or by Parliament, in regard to dispensing with subsidies and long contracts, and making the contracts self-supporting, *Scudamore* 819 *et seq.*—Instruction to the Post Office to have short contracts as far as possible, *ib.* 842—Representation by the Post Office to the Treasury in July 1867, to the effect that the department should be left as free as possible in making the contracts in question, *ib.* 850-854—Effort made by the Post Office not only to provide a self-supporting service, but to carry out generally the recommendations of different committees on postal contracts, *ib.* 1106-1108.

Difference of opinion at the Post Office upon the question of the inland postage on American letters being credited to the service, *Rep.* v.

POSTAGE:

1. *Statistics and Estimates relative to the Receipts from American Postage, in connection with the Payments to Contractors.*
2. *Question of Contracts for the Service on the basis of the Postage Receipts.*

1. *Statistics and Estimates relative to the Receipts from American Postage, in connection with the Payments to Contractors:*

Explanation and correction of a certain Post Office Return, which estimates at 111,700*l.* the amount received in 1868 for sea postage to America; corrected estimate by which the amount is calculated at 75,000*l.*, *P. Hill* 92-100. 123-125—Estimated loss of nearly 40,000*l.* a year if the Cunard and Inman contracts be ratified, *ib.* 100—Increased loss upon these contracts accordingly as additional contracts are given for other services to the States, *ib.* 100, 101.

Calculation that whereas the payment under the contracts is 105,000*l.*, the value of the postage carried by the Cunard and Inman boats would be only from 50,000*l.* to 60,000*l.*, *F. Hill* 457. 459-470—Over-estimate involved in a calculation that 111,700*l.* was derived from American sea postage in 1868, *ib.* 607.

Particulars relative to a recent estimate by Mr. Chetwynd showing a gross receipt of 113,979*l.* from the American postage; previous estimate of 112,000*l.*, at the time of the completion of the negotiations, *Scudamore* 891-910—Grounds for concluding that the

Report, 1869—continued.

POSTAGE—continued.

1. *Statistics and Estimates relative to Receipts from American Postage, &c.*—contd.

gross postage of 6 *d.* should be applicable for the payment of transmission across the ocean; practice of the United States adverted to hereon, *Scudamore* 906-909—Complaint made by Mr. Inman as to the small amount received for sea postage in 1868, *ib.* 999, 1000, 1024, 1025.

Post Office estimate supplied to witness (before the payment of 105,000*l.* was arrived at) showing that the ocean and inland postage for 1868 would produce about 112,000*l.*, *Right Hon. G. W. Hunt* 1141, 1143-1146, 1168-1172.

Total receipt of 31,800*l.* by witness's company for one full service in 1868, the American rate producing only about 9,000*l.* of this amount, *Inman* 1604-1607.

Particulars in connection with estimates made by the Post Office authorities relative to the increase of American postage by reducing the rate to 6 *d.*, and the earnings to be derived under the Cunard contract of 1868, *Chetwynd* 1774 *et seq.*—Total of about 44,414*l.* as the sea postage on the Cunard steamers out and home for 1868, *ib.* 1794—Earning of 22,714*l.* by the Inman Company under their contract in 1868, *ib.* 1796—Earning of 11,710*l.* by the North German Lloyd's Company, *ib.* 1797—Earning of 5,154*l.* by the Hamburg-American Company, *ib.* 1798.

Explanation in connection with an amended estimate showing that the British share of the gross postage, out and home, after division with the United States, is calculated at 123,717*l.* for the year 1868; that is, under all the contracts, and including inland postage, *Chetwynd* 1799-1825, 1833-1839—Larger amount of the homeward than of the outward mails, so that the moiety received from the United States Government is larger than the moiety paid them, *ib.* 1799, 1800, 1805-1810, 1836-1838.

Explanation that a certain Post Office Return made in January last was only an estimate, and has proved inaccurate in some respects as regards the amount of earnings in 1868, *Chetwynd* 1811-1825—Estimate of 80,719*l.* as the gross sea postage, after deducting one-third, or 2 *d.* per letter, for inland postage, *ib.* 1851, 1852.

Return showing the total amount of sea postage on correspondence dispatched to the United States, during each quarter of the year 1868, by the Cunard, Inman, North German Lloyd, and Hamburg-American lines of packets respectively; also the sums received by Messrs. Cunard up to the present date for conveyance of the homeward mails, *App.* 149.

Estimate of the gross postage on outward correspondence carried to North America by the contract packets in 1868; total of 113,979*l.*; *App.* 162—Estimate of the sea postage and gross postage of correspondence carried on in 1868 by the Cunard packets outwards, and the sea postage on homeward mails, at certain rates mentioned, *ib.* 191.

Return showing the amount of sea postage paid to the contractors on correspondence dispatched to the United States, during each quarter of the year 1868, by the Inman, North German Lloyd, and Hamburg-American lines of packets respectively; also, the amount of sea postage, computed at the same rates applicable to the Cunard packets, outwards and homewards, and the sums received from Messrs. Cunard for conveyance of homeward mails, *App.* 192.

Estimate of the gross postage derived by the United Kingdom under the convention with the United States during the year 1868; aggregate of 123,717*l.*; *App.* 193.

Statement showing the estimated amount of sea postage earned by the several lines of North American mail packets on the outward voyage during the year 1868, such estimate being based on the supposition that there were three and one-third letters to the ounce, seven and a quarter papers to the pound, and five and one-third book-packets to the pound; aggregate of 80,719*l.*; *App.* 194, 196.

2. *Question of Contracts for the Service on the basis of the Postage Receipts:*

Information relative to tenders by the Hamburg-American Company and the North German Lloyd's Company on the principle of an ocean postage, the Cunard and Inman companies having declined to tender without a subsidy, *P. Hill* 109-122.

Principle laid down in the Treasury Minute of April 1860, that the payment should not be a fixed sum, but should rise and fall with the number of letters conveyed, *F. Hill* 454—Rule of the Post Office to give the sea postage for the mail service where no subsidy is given, *ib.* 488-492—Comparison between the tenders, in October 1867, on the principle of payment by the sea postage, and the contracts of 1868, involving payment of 105,000*l.* a year; advantages of the former, *ib.* 500-514.

Belief as to the facility of securing an efficient service by giving only the sea postage in payment, *F. Hill* 513, 515-520, 543-547—Belief that the time has arrived when subsidies may be dispensed with for the service to America, and that any inconvenience, or any less efficiency of service would be but temporary, *ib.* 543-547, 580—Frequent offer by Mr. Inman to convey the letters for the sea postage, *ib.* 547—Conclusion as to

POSTAGE—continued.

2. *Question of Contracts for the Service on the basis of the Postage Receipts*—contd. to the sufficiency of the sea postage at 1 s. an ounce for the remuneration of the companies, and as to the propriety of first deducting the full penny for the inland postage, *F. Hill* 563-571. 601.

Course open to Government when the tenders received in 1868 did not comply with the conditions required, *Baxter* 633-636. 649-651. 660-664—Willingness of Mr. Guion to convey the mails for the ocean postage, *Robinson* 713.

Refusal of the companies to tender on the basis of the sea postage, *Scudamore* 855-857. 1080-1082—Witness doubts whether, in lieu of a fixed subsidy, it would be better to give the whole of the postage to the contractors, *ib.* 1083—Statement as to Government having failed in their efforts in 1868 to obtain tenders for the American service at postage rates, *Right Hon. G. W. Hunt* 1139, 1140—Grounds for the refusal of witness's company to tender on the basis of the postage, *Burns* 1362, 1363. 1368.

Willingness of witness to accept the sea and inland postage in lieu of the subsidy if it can be shown that the former is equal in amount to the latter, *ib.* 1573-1580—Former contract of witness's company with the British Government for carrying the mails at 1 s. an ounce outward, there being also a regular rate for carrying the homeward mails, *Inman* 1601-1603.

See also *Competition. Conventions with United States. Efficiency of Service. Hamburg-American Steam Packet Company. Increase of Postage. Penny Postage. Rate of Postage. Subsidies. United States.*

Publicity (Negotiation of Contracts). Prejudice to economy in postal contracts through the restriction as to the contracts being submitted to Parliament, and through the publicity in consequence of inquiries in the House pending the negotiations, *Right Hon. G. W. Hunt* 1166. 1191-1194.

Punctuality. See *Efficiency of Service.*

Q.

QUEENSTOWN:

Circumstance of the Cunard boats from Liverpool to Boston in 1868 having called at Queenstown, through not subsidised by the Post Office, *Taylor* 21—Advantage to the Cunard boats in their calling at Queenstown for steerage passengers, *ib.* 33. 44-49—Particulars of the time occupied in the conveyance of letters from different parts of the United Kingdom to New York, *vid* Queenstown and Southampton respectively, *P. Hill* 81—Stoppage of the chief steam packets at Queenstown irrespectively of the question of a subsidy, *ib.* 165.

Very little expense and loss of time through the steamers for America calling at Queenstown, *Wallis* 222; *Duncan* 370. 394-399—Question whether without a subsidy the Cunard boats could be required to receive or wait for mails at Queenstown; this may be provided for by contract, *F. Hill* 582-600—Advantage of the vessels calling at Queenstown, *Baxter* 654—Doubt as to the service *vid* Queenstown being of much importance, *Maris* 681-683. 686, 687.

Statement as to the tenders issued in 1868 having named Queenstown as the port of departure; details hereon showing the advantage of Queenstown over Southampton for the service to New York, *Scudamore* 861-879. 924, 925. 953—Reference to a return for the months of March and August 1868, showing the time occupied between certain towns and New York, *vid* Queenstown and *vid* Southampton, *ib.* 864, 865. 1020-1023—Great preference shown by the public for the Queenstown route, *ib.* 873-879—Conclusion arrived at when the tenders came in, that the German companies declined to run from Queenstown, *ib.* 936. 1110—Statement as to the Hamburg Company having since offered to run from Queenstown at a reduced rate, *ib.* 937-943. 1110—Further conclusion as to the advantage of Queenstown over Southampton as the port of departure, *ib.* 1092-1096. 1115-1117.

Conclusion of witness that the German companies as not tendering to call at Queenstown were ineligible, *Right Hon. G. W. Hunt* 1140. 1173, 1174—Advantage of Messrs. Cunard and Mr. Inman in 1867, in their being the only firms who tendered to call at Queenstown; statement hereon in justification of the temporary contract made in that year for 1868, *ib.* 1155-1163—Decided preference for Queenstown as compared with Southampton as the port of departure and arrival of the mails, *Hamilton* 1293-1297. 1321, 1322; *Sturgis* 1219-1221. 1262. 1285-1288; *Morgan* 1339-1341. 1350, 1351.

Explanation as to witness having notified to the Post Office that the Cunard Saturday boats would not call at Queenstown if the contract were annulled; positive loss in calling there but for the mails, *Burns* 1395. 1398-1400. 1403—Evidence with further reference to the question of the Cunard boats calling at Queenstown, irrespectively of the mails; material expense and loss involved if all the vessels were to call there regularly for passengers, 106—I.

Report, 1869—continued.

QUEENSTOWN—continued.

sengers, *Burns* 1422-1451. 1520, 1521. 1585-1589—Detention and expense through witness's vessels calling at Queenstown for the mails; but for the mails they would not always call there, *Inman* 1621, 1622. 1648-1657. 1697-1705—Total of 2,783 nautical miles from Queenstown to New York, *ib.* 1623.

Return handed in showing the course of post from London to New York *via* Southampton and *via* Queenstown; advantage of twenty hours in favour of Queenstown, *Scudamore* 1772; *App.* 152-161—Particulars of the passages from Queenstown to New York since the beginning of 1869, *App.* 147, 148.

Return showing the total weight of letters, newspapers, and book packets, &c., contained in fifty-two miles from Queenstown, and in fifty-two miles from Southampton, conveyed to New York by the North American packets during the six months ended 30th September 1868, *App.* 162—Monthly returns of the performances of the steamers from Queenstown in 1868, *ib.* 163-174.

Statement showing the several mails dispatched from New York to the United Kingdom by mail packet during each month of 1868, the period of arrival in this country, and the time in which the letters contained in such mails were delivered in London, Liverpool, Manchester, Glasgow, Belfast, distinguishing in each case between arrival at Queenstown and at Southampton, *App.* 175-186—Statements showing the time of arrival of the outward Cunard and Inman packets at Queenstown, and the time of arrival of the mails, and of their embarkation in 1868, *ib.* 187-189.

Return of the number of sacks of mails conveyed by the North German Lloyd from Southampton on Tuesday, and by Cunard's boats from Queenstown on Wednesday, in the year 1868, *App.* 190—Return showing the number of letters posted in London, and in some of the principal towns in the kingdom, on the 19th and 20th of March, for transmission by the packet sailing from Queenstown to New York on Sunday the 21st March; total of 4,100 letters posted in London, and of 6,286 in certain provincial towns, *ib.* 195.

Conclusion of the Committee as to the advantages of Queenstown as the port for the dispatch and receipt of American mails, *Rep.* iv.

See also Hamburg-American Steam Packet Company, Southampton.

R.

Rate of Postage. Tendency of the present contracts to prevent reduction in the rate of postage between England and America, *F. Hill* 475, 476. 609—Question whether the rate of postage may not be reduced during the contracts, *Scudamore* 1027-1028—Better prospect of a reduction of postage under the system of a subsidy than by a transfer of the postage to the contractors, *ib.* 1083.

Conclusions that with the increase of postage, which may be fairly expected, there will ere long be a considerable balance in favour of the Exchequer which may be used in the way of a reduction of the rate; data for this conclusion considered, *Right Hon. G. W. Hunt* 1142-1152. 1168-1172. 1175-1179.

Doubt as to the subsidies tending to prevent a reduction of the postage, *Sturgis* 1237-1239—Importance attached rather to regularity of service than to a reduction of the rate below 6 *d.*, *ib.* 1240-1245—Absence of hardship in the present rates of postage, *Hamilton* 1304—Advantage of the present rates with speed and regularity rather than of lower rates and an irregular service, *ib.* 1305.

Reduction on 1st January 1868 of the rate of postage on international letters, when not exceeding half an ounce, to 6 *d.* in the United Kingdom and 12 cents in the United States, *Rep.* iv—Postage of 1 *s.* on letters to the United States previously to 1868, *ib.*

See also Conventions with United States. Liverpool Chamber of Commerce.

Receipts from Postage. *See Postage. Self-supporting Service.*

Reduction of Postage Rate. *See Rate of Postage.*

Renewal of Contracts. Belief that if the services be carried out efficiently it would be a satisfactory arrangement to renew the contracts on the same terms eight years hence, *Scudamore* 1026.

Responsibility. Witness was, as Chancellor of the Exchequer, chiefly responsible for the financial terms of the Cunard and Inman contracts, *Right Hon. G. W. Hunt* 1134, 1135—Statement of the dates when the terms were agreed to by the late Government and by the contractors respectively; subsequent lapse of nearly two months before the Government went out of office, *ib.* 1141-1143. 1195, 1196—With regard to any recent proposals or tenders, the late Government had none of these before them in deciding to make the contracts, *ib.* 1197.

Robinson,

Robinson, James. (Analysis of his Evidence.)—Represents the National Steamship Company, 705—Tenders made by the company for the conveyance of mails to the United States, an offer having just been made to carry letters at the rate of a penny an ounce, 706-709—Total of nine vessels owned by the company, the speed being on the average better than that of the Cunard slow boats, 711, 712—Willingness of Mr. Guion to convey the mails for the ocean postage, 713—Number and character of the boats of Mr. Guion, 715-718.

Effect of large subsidies to particular companies in checking competition, and in preventing the building of faster vessels, 719-731—Tendency to the use of cargo boats if there were no penalty for over-time, 727—Views of the Liverpool Chamber of Commerce as to the expediency of a reduction of the postage, 732—Statement in favour of a penny postage to America, even though the sixpenny rate were also retained for business letters by fast boats, 733-736. 750-753.

Unfair competition as regards freight through the subsidy to the Cunard Company, 737—Willingness of the United States Government to consent to the adoption of a penny postage, 738. 745. 746—Non-objection to the Government providing for taking the vessels in time of war, 739—Use by the United States Government of the three fastest lines for the conveyance of the mails to this country, 740-743—Inconvenience for a time if the Cunard and Inman Companies declined to convey the mails without a subsidy; there are, however, other good lines available, 744, 745. 747-749—Expected large increase of letters if there were a penny rate, 752.

Rodewald, Frederick. (Analysis of his Evidence.)—Testifies to the efficiency of the communication between New York and Southampton by means of the North German line of boats, 695-701—Considers that the postal service by the Cunard slow boats is without value, 702, 703—Convenience in receiving American letters *via* Southampton, 704—Regulations in the United States as to the delivery of postal matter promptly after the arrival of vessels in port, *ib.*

Royal Mail Steam Packet Company. The postal contract with this company is for ten years, *Scudamore* 1073.

“*Russia,*” *The.* The “*Russia*” cost about 130,000 *l.*, and was built in 1867, *Burns* 1376. 1378.

S.

Saturday Service. Great inconvenience through the uncertainty of the Cunard Company always running a fast boat from Queenstown on Sundays; instances of this, *Taylor* 27-29—With regard to its being contended by Messrs. Cunard that their fast service on Sunday is worth more than 35,000 *l.*, or the amount payable to Mr. Inman, this is owing to emigrants not being taken from Queenstown on Sunday, *Scudamore* 1049-1058—Advantages of a Saturday service to the United States, *ib.* 1089-1091—Larger moiety of the contract money required for the Saturday than for the Tuesday service, *Burns* 1529, 1530.

“*Scotia,*” *The.* The “*Scotia*” was built in 1862, and cost about 170,000 *l.*, *Burns* 1376, 1377.

Scudamore, Frank Ives. (Analysis of his Evidence.)—Is one of the Secretaries of the Post Office; has been in the department since 1840; 812-816—Is authorised officially to explain the circumstances which led to the execution of the contracts now before the Committee, 817, 818.

Obligation upon the Post Office to conform as far possible to the principles laid down in the Treasury Minute of April 1860 in the matter of postal contracts; the Treasury, however, did not lay down any hard and fast line on the subject of subsidies, or of long contracts, 819-823. 836, 837—Grounds for concluding that the Select Committee of 1860 did not in their report intend to tie down the Post Office by any rigid rule as to the services being self-supporting, or as to subsidies being dispensed with, 823-833—Dissent from the view that Lord Canning’s Committee of 1853 recommended, absolutely, that payment should be made by sea postage only, 834-836.

Statement showing that in the case of India it has been held that it should not be attempted too rigidly to make the postal service self-supporting, 838-841—Instruction to the Post Office to have short contracts, as far as possible, 842—Circumstance of the Treasury having suggested in June 1866 that postal contracts for the American service should be made for several years, and that the letters and postage accruing on particular days should be given to contractors sailing ships on those days, 842-849.

Representation by the Post Office to the Treasury in July 1867, to the effect that the department should be left as free as possible in making the contracts in question, 850-854—Inability of the Post Office to obtain satisfactory tenders in 1867, so that temporary contracts were made for the year 1868; 855-857—Issue of tenders in 1868

Report, 1869—continued.

Scudamore, Frank Ives. (Analysis of his Evidence)—continued.

by which it was proposed, if possible, to make the service self-supporting, and to make the contracts terminable at six months' notice, 858-860.

Statement as to the tenders having named Queenstown as the port of departure; details hereon, showing the advantage of Queenstown over Southampton for the service to New York, 861-879—Reference to a return for the months of March and August 1868, showing the time occupied between certain towns and New York *via* Queenstown and *via* Southampton, 864. 865. 1020-1023—Great preference shown by the public for the Queenstown route, 873-879—Due publicity given to the tenders called for by the Post Office, 880—Receipt of three tenders for services from Queenstown, and of two for services for Southampton, all the tenders having been deemed inadmissible, 881-885.

Instruction given to witness to negotiate with Messrs. Cunard & Mr. Inman, they having tendered for services from Southampton, the result being, that having at first asked 150,000 *l.* for three services weekly, they eventually accepted 105,000 *l.*, 885-892. 910-912—Refusal of the Chancellor of the Exchequer to consent to a contract for ten years, 891—Refusal also of the Chancellor of the Exchequer to give as much as 120,000 *l.*, as he deemed it essential to make the service, if possible, self-supporting, 891-892. 910.

Particulars relative to a recent estimate by Mr. Chetwynd, showing a gross receipt of 113,979 *l.* from the American postage; previous estimate of 112,000 *l.*, at the time of the completion of the negotiations, 891-910—Grounds for concluding that the gross postage of 6 *d.* should be applicable to the payment for transmission across the ocean; practice of the United States adverted to hereon, 906-909.

Refusal of Messrs. Cunard & Mr. Inman to be bound by penalties as to speed and time, 913—Little importance attached to penalties, the passages of the Cunard & Inman boats having been very satisfactory, irrespective of penalties, 914-923. 1014—Less fast boats calculated upon for the Tuesday service from Liverpool than for the Sunday service, Messrs. Cunard having been desirous that a smaller portion of the contract money should be allocated to the former service than to the latter, 918. 926. 930.

Further evidence as to the important advantages of a service *via* Queenstown, rather than *via* Southampton, 924. 925. 953—Circumstance of Mr. Inman having consented to change his day of sailing, the three services being now very satisfactorily arranged, 931-934—Self-supporting character of the contracts, subject to the application of the gross postage to the sea service, 935—Conclusion arrived at, when the tenders came in, that the German Companies declined to run from Queenstown, 936. 1110—Circumstance of the Hamburg-American Company having since offered to run from Queenstown at 10,000 *l.* less than the Cunard Company; earnings of the former company from the German postage adverted to hereon, 937-943. 1110.

Question considered whether the prohibition of the Cunard and Inman boats from carrying mails for other countries should not be removed, 943-951—Very good character of some of the vessels of the Hamburg-American Company, 952—Belief that no public dissatisfaction need arise through the Cunard slow boats being occasionally used for the Sunday service, 953-960—Right of the Post Office to put the mails on board the Cunard or other boats as ship-letters, without any contract; strong objections to the exercise of this power, 961-970—Great difficulty if the Post Office were to put the mails on board at Queenstown, as ship-letters, 961-966. 970.

Payment by the American Government of 15 cent. per ounce for the conveyance of the mails to England, 971. 972—Several companies now carrying the mails from the United States, at so much per ounce, the system of subsidies having been abolished, 973-978—Payment of 173,000 *l.* a year to the Cunard Company for fortnightly services to New York and Boston, respectively, previously to 1868; 979. 980—Explanation as to the unexpectedly large loss on the contract for the Cunard return service in 1868, the American postage having been largely reduced, 981-986. 1128-1130.

Circumstance of steps having been taken for dispensing with sorting on board, though in 1868 witness attached much importance to the practice, 987-992—Statement as to contracts not having been formerly entered into with Mr. Inman, though his vessels, as well as the Cunard vessels, sail under the British flag, 993-998—Complaint made by Mr. Inman as to the small amount received for sea postage in 1868; 999. 1000. 1024. 1025—Omission from the present contract of one clause relative to the conveyance of packets for the Admiralty, there being no longer any service to Halifax, 1001. 1002.

Error of a certain statement by witness as to the North German Lloyd's Company and the Hamburg-American Company being subsidised by foreign governments, 1003-1005—Condition that any new vessels to be built by the Cunard Company shall not be less than 2,000 tons, 1006—Explanation as to the retention of a provision, as regards the Cunard boats, that a competent surgeon shall be provided on board, 1007-1013.

With regard to the question of the postal service with India not being made self-supporting, there is not, doubtless, the same competition on that line as on the line to the United States, 1015-1019—Belief that if the services be carried out efficiently it would be a satisfactory arrangement to renew the contracts on the same terms eight years hence

Scudamore, Frank Ives. (Analysis of his Evidence)—continued.

hence, 1026—Question whether the rate of postage may not be reduced during the contracts, 1027, 1028.

Further evidence upon the question of including both inland and sea postage in the computation, showing that the service will be self-supporting, 1029–1036—Statement of the cost incurred by this country and by the United States respectively, in the matter of the homeward mails to England; very small cost incurred by the States, 1032. 1037–1045—Less satisfactory character of the Tuesday service by the slow boats than is desirable, 1046–1048. 1059. 1097–1099.

With regard to its being contended by Messrs. Cunard that their fast service on Sunday is worth more than 35,000 *l.*, or the amount payable to Mr. Inman, this is owing to emigrants not being taken from Queenstown on Sunday, 1049–1058—Explanation in connection with the termination by the Post Office of the convention with the United States entered into in June 1867; 1062–1068—Further statement on the question of the contracts being at variance with the recommendations in the Treasury Minute of 1860, as regards the duration of the contracts and the cost, 1069–1084.

Long term of the postal contract with the Peninsular and Oriental Steam Packet Company, 1073–1076—Refusal of the companies to tender on the basis of the sea postage further adverted to, 1080–1082—Better prospect of a reduction of postage under the system of a subsidy than by a transfer of the postage to the contractors, 1083—Prospect of efficient competition on the termination of the contracts, 1085–1087—Advantage of a Saturday service to the United States, 1089–1091.

Further conclusion as to the advantage of Queenstown over Southampton as the port of departure, 1092–1096. 1115–1117—Much less remunerative character of the present contract to Messrs. Cunard than of previous ones, 1100–1103—Effort made by the Post Office not only to provide a self-supporting service, but to carry out generally the recommendations of different Committees on postal contracts, 1106–1108—Uselessness of penalties further adverted to, 1109.

Conduct of the service since the 1st January under the contracts now awaiting final ratification, 1112–1114—Authority given by the Treasury to the recent alteration of the Inman contract as regards the day of sailing, 1118–1122—Calculated increase of postage adverted to in connection with the reduction through the civil war, 1123–1127—Belief that the telegraph has not in any way lessened the demand for speedy correspondence, 1131–1133.

[Second Examination.]—Return handed in showing the course of post from London to New York *via* Southampton and *via* Queenstown; advantage of 20 hours in favour of Queenstown, 1772.

Sea Postage. See Postage.

Select Committee of 1853. Recommendation by the Select Committee of 1853 that the payment for the packet service should not be a fixed sum, *F. Hill* 454.

Dissent from the view that Lord Canning's Committee of 1853 recommended absolutely that payment should be made by sea postage only, *Scudamore* 834–836.

Select Committee of 1860. Grounds for concluding that the Select Committee of 1860 did not in their Report intend to tie down the Post Office to any rigid rule as to the services being self-supporting, or as to subsidies being dispensed with, *Scudamore* 823–833.

Self-supporting Contracts. Statement in support of the conclusion that no hard and fast line has been laid down by the Treasury or by Parliament for the guidance of the Post Office as to making mail contracts self-supporting, *Scudamore* 819–841—Issue of tenders in 1868, by which it was proposed, if possible, to make the service self-supporting, and to make the contracts terminable at six months' notice, *ib.* 858–860—Refusal of the Chancellor of the Exchequer to give as much as 120,000 *l.* in subsidies, as he deemed it essential to make the service, if possible, self-supporting, *ib.* 891, 892. 910—Self-supporting character of the contracts subject to the application of the gross postage to the service, *ib.* 891–910. 935. 1029–1036.

Determination of witness that the services should be, as far as possible, self-supporting, *Right Honourable G. W. Hunt* 1140. 1175, 1176—Post Office estimate supplied to witness (before the payment of 105,000 *l.* was arrived at) showing that the ocean and inland postage for 1868 would produce about 112,000 *l.*, *ib.* 1141 1143–1146. 1168–1172.

Approval by Treasury Minute of April 1860, of the principle that the packet service should be, as far as possible, self-supporting, *Rep.* iii—Consideration of the question whether, at the present rates of postage, the service will be self-supporting, when involving subsidies of 105,000 *l.* a year, *ib.* v—Different results shown accordingly as the service is, or is not, credited with the inland postage, as well as the sea postage, *ib.*

See also India.

Ship-Letters. Character of the obligation upon steamship companies to carry letters for the Post Office and to deliver them upon arrival at any port, *F. Hill* 581, 582, 602-606—Right of the Post Office to put the mails on board the Cunard or other boats as ship-letters, without any contract; strong objections to the exercise of this power, *Scudamore* 961-970—Great difficulty if the Post Office were to put the mails on board at Queenstown as ship-letters, *ib.* 961-966, 970—Opinion as to the oppressive character of the system of ship-letters, if now enforced upon shipowners, *Inman* 1765, 1766.

Slow or Cargo Boats (Cunard Contract). Complaint that under the present contract with the Cunard Company the same sum is paid for the conveyance of the mails by any of the slow boats of the company (fourteen in number) as by the fast boats of the company or of the Inman line, *Taylor* 10-15, 22, 23, 26—The slow boats are technically known in the trade as the slow cargo boats, *ib.* 10—Frequent delay through the transmission of letters by the slow boats, letters sent a day or two afterwards by fast boats often arriving first, *ib.* 28-30.

Statement showing the time occupied, and the delay incurred in the case of letters sent by the Cunard cargo boats, sailing from Queenstown to Boston on Wednesday, *P. Hill* 81-89, 143-150—In seven out of eight Wednesday trips of the cargo boats, since 1st January, the mails for New York by those boats have been overtaken by mails sent by vessels sailing on a later day, *ib.* 88, 89—Actual time occupied by the "Tripoli," "Palmyra," and other slow boats or cargo boats of the Cunard Company between Queenstown and America, *ib.* 145-150.

Very little value attached to the Tuesday service by the Cunard slow boats *P. Hill* 498, 548, 551-555—Concurrence in the view that the postal service by the Cunard slow boats is quite useless, *Maris* 666-675, 679; *Rodewald* 702, 703.

Less fast boats calculated upon for the Tuesday service from Liverpool than for the Sunday service, Messrs. Cunard having been desirous that a smaller portion of the contract money should be allocated to the former service than to the latter, *Scudamore* 918, 926-930—Belief that no public dissatisfaction need arise through the Cunard slow boats being occasionally used for the Sunday service, *ib.* 953-960—Less satisfactory character of the Tuesday service by the slow boats than is desirable, *ib.* 1046-1048, 1059, 1097-1099.

Character of the Tuesday service by the Cunard slow boats adverted to; witness has no cause to express dissatisfaction, *Sturgis* 1259-1261, 1274-1280—Witness's firm have had no reason to complain of the service by the slow boats, *Hamilton* 1323—But little use of the Tuesday service is made by witness's firm, their correspondence being made up chiefly for the Wednesday and Saturday boats, as more convenient, *Morgan* 1343-1349, 1352-1357.

Exception taken to the description of the Tuesday service as being performed by "cargo" boats, *Burns* 1385—Efficiency generally of the boats employed on the Tuesday service; similar rates of freight as by the faster boats, *ib.* 1385-1389—Statement that it was never intended, nor was it necessary, that the Tuesday service should be so speedy as the Saturday service, *ib.* 1386, 1387, 1479, 1480.

Sorting on Board. Belief as to the letters not being now sorted on board the Cunard boats, *Taylor* 47-49—Undue charge in the Cunard contract for the passage of mail officers it employed on board in sorting, &c., *ib.* 49, 61*-63—Abolition of sorting on board since the 1st January, *P. Hill* 90, 91—Abandonment of the practice of sorting on board, without causing any delay in delivery, *F. Hill* 560-562—Circumstance of steps having been taken for dispensing with sorting on board, though in 1868 witness attached much importance to this practice, *Scudamore* 987-992.

Southampton. Great inconvenience to the public if the weekly mail from Southampton on Tuesday were no longer carried by the North German Lloyd's Company; illustration of this, *Wallis* 213—Convenience in receiving American letters *via* Southampton, *Rodewald* 704.

Uncertainty as regards Southampton through the German boats not starting thence, *Sturgis* 1219, 1285—Very little importance attached by witness to a mail service from Southampton, in addition to services from Queenstown, *ib.* 1225-1230—From Southampton to New York the distance is 3,081 miles, *Inman* 1623.

Particulars of the duration of passages from Southampton to New York since the beginning of 1869, *App.* 147, 148.

Return showing the course of post from Manchester, Bristol, Hull, Glasgow, Cork, Belfast, Limerick, Waterford, and London, to New York, *via* Queenstown and *via* Southampton, in the months of March and August 1868, *App.* 152-161.

Returns showing the total weight of letters, newspapers, and book packets, &c., for the United States, and for countries in transit through the United States, contained in fifty-two miles from Queenstown, and in fifty-two miles from Southampton, conveyed to New York by the North American packets during the six months ended 30th September 1868, *App.* 162.

Statement

504

Report, 1869—continued.

Southampton—continued.

Statement showing the performance of each steamer from Southampton to New York in 1868, *App.* 163-174.

Return of the number of sacks of mails conveyed by the North German Lloyd boats from Southampton on Tuesday, and by the Cunard Boats from Queenstown on Wednesday, in the year 1868, *App.* 190.

Statement showing the several mails dispatched from New York to the United Kingdom by mail packets during each month of 1868, the period of arrival in this country, and the time at which the letters contained in such mails were delivered in London, Liverpool, Manchester, Glasgow, and Belfast, distinguishing in each case between arrival at Queenstown and at Southampton, *App.* 175-186.

Return showing a total of 136 letters for the United States posted in London after the closing of the letter boxes on the evening of Monday, the 22nd March 1869, and before the closing of the mails for New York, to be conveyed from Southampton by the packet of the North German Lloyd on Tuesday the 23rd March, *App.* 196.

See also *Hamburg-American Steam Packet Company.* *North German Lloyd's Company.* *Queenstown.*

Speed. Expected increase of speed if subsidies were discontinued, and if the companies were paid by the number of letters conveyed, *P. Hill* 166—Necessity of some guarantee that the boats are of a certain speed, if the payment be according to the weight of letters carried, *Baxter* 623—Tendency of the conveyance of the mails to cause speedy passages, *Hamilton* 1306.—See also *Efficiency of Service.* *Telegraphic Communication.*

Sturgis, Russell. (Analysis of his Evidence.)—Is partner in the house of Messrs. Baring Brothers, 1214—Testifies to the exceedingly regular and punctual performance of the postal service from Queenstown to New York, 1215-1217. 1246-1249—Opinion as to the entire sufficiency of three services weekly to the United States, 1218. 1271-1273—Decided preference for Queenstown as compared with Southampton as the port of departure for the mails. 1219-1221. 1262. 1285-1288—Equal necessity for speedy correspondence, notwithstanding the use of the telegraph, 1222.

Apprehension that an abrupt termination of the Cunard and Inman contracts would cause serious inconvenience, and that in winter the boats would probably only run at very irregular intervals, if there were no subsidy, 1223, 1224. 1231-1234. 1250-1258. 1263-1270. 1281-1284.

Very little importance attached by witness to a mail service from Southampton, in addition to services from Queenstown, 1225-1230—Doubt as to the subsidies tending to prevent a reduction of the postage, 1237-1239—Importance attached rather to regularity of service than to a reduction of the rate below 6d., 1240-1245—Character of the Tuesday service by the Cunard slow boats adverted to, 1259-1261. 1274-1280—Circumstance of the Inman boats having run regularly without a subsidy, the homeward mails being also regularly delivered without a subsidy, 1266-1270—Opinion that it would be almost impossible at once to find any efficient substitute for the fleet of the Cunard and Inman Companies, 1282-1284.

SUBSIDIES:

1. Evidence opposed to the System of Postal Subsidies, with reference more especially to the American Service.
2. Evidence in explanation and defence of the Subsidies in Question.
3. Conclusion of the Committee adverse to Fixed Subsidies for a Term of Years.

1. Evidence opposed to the System of Postal Subsidies, with reference more especially to the American Service:

Decided objection to the system of a fixed subsidy for the conveyance of American mails irrespective of the amount of mails carried, *Taylor* 5. 22—Conclusion that there would be no difficulty as to an efficient performance of the American mail service, if subsidies were abolished altogether, there would moreover be a much more frequent service if letters might be marked to go by any particular ship, *ib.* 22. 53-57. 64-70.

Payment of about three times as much per ounce under the contracts in question as is paid by the United States for letters to this country, *P. Hills* 102, 103—Belief that if subsidies were abolished postal services with New York would not be less efficient or less frequent, *ib.* 165.

Injurious effect upon shipowners generally through particular firms having large subsidies, *Wallis* 220, 221—Opinion that subsidies are not necessary in order to secure an expeditious and punctual mail service with America, *Duncan* 381-383. 391, 392—Advantage to any steamship company in its competition with any other companies, if it have a fixed subsidy for carrying the mails, *ib.* 388. 426. 430-434.

Principle laid down in the Treasury Minute of April 1860, that the payment should not be a fixed sum, but should rise and fall with the number of letters conveyed, *F. Hill* 106—I.

SUBSIDIES—continued.1. *Evidence opposed to the System of Postal Subsidies, &c.*—continued.

454—Belief that the time has arrived when subsidies may be dispensed with for the service to America, and that any inconvenience, or any less efficiency of service would be but temporary, *F. Hill* 543-547. 580—Objection to any continuance of the subsidy even for the Cunard fast service, *ib.* 550.

Witness is strongly opposed to fixed subsidies where active and effective competition exists, *Baxter* 610-618—Withdrawal by witness in March 1868 of his motion relative to the Cunard contracts, on the understanding that there should be no payment by fixed subsidies, *ib.* 612-615—Undue advantage to the Cunard Company in competition with other companies by reason of the large subsidies received, *ib.* 624, 625—Effect of large subsidies to particular companies in checking competition and in preventing the building of faster vessels, *Robinson* 719-731.

2. *Evidence in explanation and defence of the Subsidies in question:*

Instruction given to witness to negotiate with Messrs. Cunard and Mr. Inman, they having tendered for services from Southampton, the result being that having at first asked 150,000 *l.* for three services weekly, they eventually accepted 105,000 *l.*, *Scudamore* 885-892. 910-912—Refusal of the Chancellor of the Exchequer to give as much as 120,000 *l.* in subsidies, as he deemed it essential to make the re-service, if possible, self-supporting, *ib.* 891, 892. 910.

Reference to the proceedings in the House of Commons last Session in the matter of Mr. Baxter's motion on the subject of fixed subsidies, as showing that the House did not wish to bind the Government by any rigid rule, *Right Hon. G. W. Hunt* 1138—Denial that there was any private understanding between witness and Mr. Baxter relative to the withdrawal of the motion made by the latter, *ib.* 1139—Resolution finally that an abatement of the terms of the Cunard and Inman Companies was the best mode of securing a service which should be at the same time efficient and self-supporting, *ib.* 1140, 1141—Important abatements stipulated for by witness in the terms of Messrs. Cunard and Mr. Inman, the result being that the two contracts should embrace two services weekly of 105,000 *l.* a year over a period of eight years, *ib.* 1141. 1154.

Improvidence of an efficient service, more especially in winter, unless there be a subsidy, *Sturgis* 1231-1234. 1250-1258. 1263-1270; *Hamilton* 1312-1320. 1324, 1325—Circumstance of the Inman boats having run regularly without a subsidy, the homeward mails being also delivered without a subsidy, *Sturgis* 1266-1270—Opinion that a subsidy of 105,000 *l.* a year is a very reasonable sum, *Hamilton* 1298-1300—Approval of the acceptance of cheaper services if equally efficient and regular; doubt on the latter point, *ib.* 1307-1311.

Denial that through the subsidy the Cunard Company charges a lower freight than other companies, *Burns* 1390—Argument that though the large subsidy formerly paid to Messrs. Cunard may have enabled them to take lower freights than unsubsidised companies, the small subsidy now paid to the Cunard and Inman Companies has no such effect, *Inman* 1636-1647. 1717-1720—With regard to the good bargains made by the United States for the carriage of the mails, there is no doubt but in the present instance the English Government has made an uncommonly good bargain, *ib.* 1740-1745.

3. *Conclusion of the Committee adverse to Fixed Subsidies for a Term of Years:*

Resolution that there is no longer any necessity for fixed subsidies for a term of years in the case of the postal service with America, *Rep. v.*

See also *Boston Line. Combination. Competition. Cunard Company. Departure of Mail Packets. Efficiency of Service. Hamburg-American Steam Packet Company. Postage. Queenstown. Rate of Postage. Self-supporting Contracts. United States.*

Survey (Mail Packets). Statement as to the North German Company's vessels which are built at Greenock, not being subject to any Government survey, *Wallis* 239-243—Explanation that an Admiralty survey is not required as regards the Cunard and other vessels, because of their being mail packets, *ib.* 272-278.

Large saving in the cost of the Cunard vessels, if they had not been subject to the Government survey, *Burns* 1549, 1550—Particulars relative to the surveys to which the vessels of witness's company are subjected, whilst foreign vessels are exempt from such surveys, and from the heavy expense consequent thereon, *Inman* 1614-1620. 1705-1707. 1746-1750.

T

Taylor, Herbert. (Analysis of his Evidence.)—Is a merchant in the American trade; has no interest in any steamship company, 1-4—Decided objection to the system of a fixed subsidy for the conveyance of the American mails, irrespective of the amount of mails carried,

500

Taylor, Herbert. (Analysis of his Evidence)—continued.

carried, 5. 22—Transmission of English letters by three different lines to America under contract with the United States Government up to the end of 1867, whilst the Cunard line only obtained any contract with the English Post-office, 5-10.

Complaint that under the present contract with the Cunard Company, the same sum is paid for the conveyance of the mails by any of the slow boats of the company (fourteen in number), as by the fast boats of the company or of the Inman line, 10-15. 22, 23. 26—Several representations made by witness's firm to the Post Office in October, November, and December last, with reference to the discontinuance of the contract with the Hamburg-American Steamship Company for a weekly service from Southampton, 16-19—Circumstance of the Cunard Company not having had any subsidy for the boats from Liverpool to Boston, *viâ* Queenstown, in 1868; 20, 21.

Conclusion that there would be no difficulty as to an efficient performance of the American mail service, if subsidies were abolished altogether; there would, moreover, be a much more frequent service if letters might be marked to go by any particular ship, 22. 53-57. 64-70.—Belief that the price agreed to be paid to the Cunard Company is entirely beyond the service performed, 22. 37-41.—Comparatively few fast boats built by the Cunard Company in recent years, 23.

Practice of the United States Government never to give a mail contract to any company for more than one or two years, and to select the fastest boats for carrying the mails, 24, 25—Arrangement as to payment by the United States Government according to the weight of the mails in the case of all letters from the United States to England, there being no subsidised boats; much less payment under this system than where subsidies are given, as to the Cunard Company for the mails outward, 25, 26. 50-52. 58-61—Offer by Messrs. Guion and Co. to convey the mails weekly for a penny per ounce, 26.

Great inconvenience through the uncertainty of the Cunard Company always running a fast boat from Queenstown on Sunday; instances of this, 27-29—Frequent delay through the transmission of letters by the Cunard slow boats, letters sent a day or two afterwards by fast boats often arriving first, 28-30—Advantage of the Cunard boats calling at Queenstown for steerage passengers, 33. 44-46—Selection of the fastest boats by passengers, 35—Obligation upon vessels arriving in United States ports to deliver up letters without delay, 36.

Belief as to the letters not being sorted on board the Cunard boats, 47-49—Undue charge in the Cunard contract for the passage of mail officers, if employed on board in sorting, &c., 49. 61-63—Dissent from the view that the six first-class vessels of the Cunard line are preferred by the public to the fast boats of the Inman and other lines, 55-57—Inappreciable advantage to Government by the conditions in the Cunard contract as to the conveyance of officers of the army or navy, or as to the use of the vessels in the event of war, 71, 72.

Telegraphic Communication. Less necessity for rapid postal communication since the use of the telegraph, *Maris* 683. 692-694—Belief that the telegraph has not in any way lessened the demand for speedy correspondence, *Scudamore* 1131-1133—Equal necessity for speedy correspondence, notwithstanding the use of the telegraph, *Sturgis* 1222; *Morgan* 1358, 1359.

Temporary Contracts. Inability of the Post-office to obtain satisfactory tenders in 1867, so that temporary contracts were made for the year 1868, *Scudamore* 855-857—Advantage of Messrs. Cunard and Mr. Inman, in 1867, in their being the only firms who tendered to call at Queenstown; statement hereon in justification of the temporary contract made in that year for 1868, *Right Hon. G. W. Hunt* 1155-1173—Explanation as to the arrangement entered into by witness for a temporary service *viâ* Queenstown for the year 1868, at a subsidy of 80,000 *l.*, *Burns* 1363-1368.

Tenders. Information relative to tenders by the Hamburg-American Company and the North German Lloyd's Company, on the principle of an ocean postage, the Cunard and Inman Companies having declined to tender without a subsidy, *P. Hill* 109-122—Comparison between the tenders in October 1867, on the principles of payment by the sea postage, and the contracts of 1868, involving payments of 105,000 *l.* a year; advantages of the former, *F. Hill*, 500-514—Course open to Government when the tenders received in 1868 did not comply with the conditions required, *Baxter* 633-636. 649-651. 660-664.

Refusal of the companies to tender on the basis of the sea-postage, *Scudamore* 855-857. 1080-1082—Issue of tenders in 1868, by which it was proposed, if possible, to make the service self-supporting and to make the contracts terminable at six months' notice, *ib.* 858-860—Due publicity given to the tenders called for by the Post Office, *ib.* 880—Receipt of three tenders for services from Queenstown and of two for services for Southampton, all the tenders having been deemed inadmissible; *ib.* 881-885.

Report, 1869—continued.

Tenders—continued.

Statement as to Government having failed in their efforts in 1868 to obtain tenders for the American service at postage rates, *Right Hon. G. W. Hunt* 1139, 1140—Reasons for Government not having re-advertised for tenders when none were received in the form required, *ib.* 1143, 1161.

Explanation of the circumstances under which witness's company declined to tender according to the forms of tender issued by the Post Office towards the end of 1867, *Burns* 1362, 1363, 1368.

Termination of Contracts. Prospect of efficient competition on the termination of the contracts eight years hence, *Scudamore* 1085-1087.

See also *Non-ratification of Contracts.*

Transport of Troops. Valuable services rendered by the Cunard vessels in the transport of troops during the Crimean war, and at the time of the "Trent" difficulty with the United States, *Burns* 1383, 1384.

Treasury, The. Reference to a Treasury Minute of 16th April 1860, as laying down the principles that the packet service should, as far as possible, be self-supporting, that long contracts should be avoided, and that the payment should not be by a fixed sum, *F. Hill* 451-455—Statement as to the Cunard and Inman contracts now under consideration being entirely at variance with the Treasury Minute of April 1860, *ib.* 456-458—Question considered whether certain postal contracts entered into since 1860 are in accordance with the principles laid down in the Treasury Minute of that year, *ib.* 534-542.

Obligation upon the Post Office to conform, as far possible, to the principles laid down in the Treasury Minute of 1860, in the matter of postal contracts; the Treasury, however, did not lay down any hard and fast line on the subject of subsidies or of long contracts, *Scudamore* 819-823, 836, 837—Circumstance of the Treasury having suggested in June 1866 that postal contracts for the American service should be made for several years, and that the letters and postage accruing on particular days should be given to contractors sailing ships on those days, *ib.* 842-849.

Further statement on the question of the contracts being at variance with the recommendations in the Treasury Minute of 1860 as regards the duration of the contracts and the cost, *Scudamore* 1069-1084.

Tri-weekly Service. Opinion as to the entire sufficiency of three services weekly to the United States, *Sturgis* 1218, 1271-1273—Doubt whether any other two companies besides the Cunard and Inman Companies could run vessels three times a week, *Hamilton* 1301, 1302, 1326.

U.

United States. Practice of the United States Government never to give a mail contract for more than two or three years, and to select the fastest boats for carrying the mails, *Taylor* 24, 25—Arrangement as to payment by the United States Government according to the weight of the mails in the case of all letters from the United States to England, there being no subsidised boats; much less payment under this system than where subsidies are given, as to the Cunard Company for the mails outward, *ib.* 25, 26, 50-52, 58-61—Obligation upon vessels arriving in United States ports to deliver up letters without delay, *ib.* 36.

Payment by the United States of only about one-third the amount paid by this country, *P. Hill*, 102, 103—Conveyance of the United States mails by the Hamburg-American Company at the rate of about 6 *d.* per ounce, there being no fixed subsidy, *Duncan* 371, 372, 384, 421-425—Salutary check by the postmaster in the States in regard to the vessels by which the mails are sent, *ib.* 373, 383—Circumstance of the United States paying only 6 *d.* per ounce, and obtaining a very efficient service, *F. Hill* 493-497.

Satisfactory terms made by the United States on the principle of payment, according to the weight of letters sent by any ship, *Baxter* 622, 623, 629—Efficient conveyance of the United States mails to this country in other than Cunard vessels, *Maris* 676-678—Regulations in the United States as to the delivery of postal matter promptly after the arrival of vessels in port, *Rodewald* 704—Use by the United States Government of the three fastest lines for the conveyance of mails to this country, *Robinson* 740-743.

Payment by the American Government of fifteen cents per ounce for the conveyance of the mails to England, *Scudamore* 971, 972—Several companies now carrying the mails from the United States at so much per ounce, the system of subsidies having been abolished, *ib.* 973-978—Statement of the cost incurred by this country and by the United States respectively in the matter of the homeward mails to England; very small cost incurred by the States, *ib.* 1032, 1037-1045.

Doubt

United States—continued.

Doubt as to the regulations in force in the United States which enable the Government to provide a much cheaper service than is obtained by the British Government, *Right Hon. G. W. Hunt* 1164-1167.

Recent arrangement between witness's company and the United States Government, from week to week, by which the former received twenty cents or about 8*d.* per ounce for the mails to this country, *Burns* 1401-1403. 1417-1421—Belief as to the American Government having sent letters by the "Samaria," one of the Tuesday boats of the Cunard line, *ib.* 1536-1538.

Statement of the arrangements with the United States Government, under which witness's company carried the outward and homeward mails in 1866 and 1867: amount of payment in each year, *Inman* 1599, 1600—Loss incurred by witness's company on the conveyance of the homeward mails in 1868, so that they have refused to continue the arrangement; similar refusal of the other companies unless the rate of payment be increased, *ib.* 1607-1613—Refusal of witness to be bound by any penalties on the part of the United States; recent refusal also to wait for the mails, *ib.* 1625-1627—Demand made by witness's company on the United States Government for an increased rate, the receipts in such case being however much less than the subsidy from the English Post Office; denial that the latter has anything to do with the comparatively low rate for which the homeward mails are carried, *ib.* 1684-1687. 1753-1762. 1767-1771.

Reference by the Committee to the much smaller rate of payment by the United States Government than by the British Government, *Rep. v.*

See also *Conventions with United States. Postage.*

W.

Wallis, Thomas. (Analysis of his Evidence.)—Represents the North German Lloyd's Company, 190—The company have eleven steamers running to New York; particulars as to their tonnage, cost, speed, &c. 191-204—Average of eleven days twelve hours occupied by the company's vessels in 1868 from the Lighthouse at the Needles to Sandy Hook Lighthouse, 206-212—Great inconvenience to the public if the weekly mail from Southampton on Tuesday were no longer carried by the company; illustration of this, 213.

Necessity of the company's vessels starting regularly, and being as expeditious as possible, irrespectively of their carrying the mails, 214-216—Little, if any, expense entailed upon the company by the conveyance of the mails, 217, 218—Advantage to a steamship company of the prestige of carrying the mails, 219. 247, 248. 291, 292—Injurious effect upon shipowners generally through particular firms having large subsidies, 220, 221—Very little loss of time through vessels from Liverpool to New York calling at Queens-town, 222.

Conveyance of mails to America by witness's company for the North German Confederation; rate per ounce adverted to, 229-238. 267-270—Statement as to the company's vessels, which are built at Greenock, not being subject to any Government survey, 239-243—Probability of the company being willing to carry the mails at a reduced rate per ounce, if the bulk were to increase, 244-248—Equal speed and punctuality of the company's vessels if the terms for carrying the mails were reduced, 249. 253, 254.

Explanation of the circumstances under which the North German Lloyd's Company tendered for different terms in 1867 and in 1868, their present contract being terminable on six months' notice, 255-266—Severe penalties upon the company as to time, there being no such penalties in the case of the Cunard or Inman steamers, 271. 277, 278. 284-290—Statement as to an Admiralty survey not being required as regards the Cunard and other vessels, because of their being mail packets, 272-278—Similar class of vessels built by witness's company, even though no mails were carried, 279, 280.

Receipt by the company of about 12,000 *l.* a year for a weekly service, 281, 282—Net receipt of 9,594 *l.* in 1868, the penalties having been most rigidly enforced, 283-290—Explanation that witness does not seek to compare his company's vessels with the Cunard fast boats, but rather with the slow boats, 293.

[Second Examination.]—Particulars as to the postage rates received by witness's company from the German Government, 1201-1206.

War. Non-objection to the Government providing for taking the mail vessels in time of war, *Robinson* 739.

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