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S1743

13 Copies of all correspondence between Her Majesty's Government and the East India Company; also resolutions Her Majesty's Government on the Peninsular and Oriental Steam Navigation Company, in the hands of Directors and the company, regarding the establishment of a line of steam communication between Singapore and Penang, & between Singapore and Calcutta, or Ceylon and Hongkong, and with the Indian Colonies. 1856 X425.3012.M5 A850

2) Report of the Committee on Contract Packets with
Appendix. X31.3.M5E A853

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STEAM COMMUNICATION BETWEEN SUEZ AND BOMBAY, &c.

RETURN to an Address of the Honourable The House of Commons,
dated 29 July 1834.

"COPIES of all CORRESPONDENCE between HER MAJESTY'S GOVERNMENT and the EAST INDIA COMPANY; also, between HER MAJESTY'S GOVERNMENT and the PENINSULAR and ORIENTAL STEAM NAVIGATION COMPANY, or the Court of Directors and that Company, regarding the Establishment of, or the Mode of conducting STEAM COMMUNICATION between Suez and Bombay, or between Suez and Calcutta, or Ceylon and Hong Kong, and with the Australian Colonies."

Whitehall, Treasury Chambers,
7 August 1834.

G. CORNEWALL LEWIS.

CORRESPONDENCE between the COURT of DIRECTORS of the EAST INDIA COMPANY and the BOARD of COMMISSIONERS for the Affairs of India, the Lords of Her Majesty's Treasury, and the General Post Office, respecting the Establishment of STEAM COMMUNICATION between Bombay and Suez.

Gentlemen,

India Board, 26 August 1834.

I HAVE the honour to enclose, for the information of the Court of Directors, a copy of the Resolutions which, on the 14th ultimo, were laid before The House of Commons by the Select Committee, "appointed to inquire into the Means of promoting Communication with India by Steam, and to report their Observations thereupon to The House."

Parliament having voted 20,000*l.* for the promotion of that object, it is intended in compliance with the 12th Resolution of the Committee, to apply that sum to the purpose of trying the experiment of steam communication by way of the River Euphrates. The Board are proceeding with the consideration of plans for the requisite boats and their equipment; and I shall take care that you are apprised of the measures which it may be proposed to adopt.

On the 10th Res. last Parliament did not take any step, and His Majesty's Ministers have not yet come to a determination on that point.

But with respect to the 11th Resolution, I have the pleasure to acquaint you, that the Lords Commissioners of the Admiralty, being fully sensible of the great benefits likely to accrue from a monthly steam communication between India and England, have, with an anxious desire to facilitate such an intercourse, given directions for the preparation of a steam-vessel, which will be ready to run between Malta and Alexandria in January next.

She will leave Malta on the arrival of the packet from Falmouth about the 10th of the month, and remain at Alexandria till the 15th, or, if the Indian packet has not arrived till the 20th of the following month, on which day, at latest, she must sail to overtake the Falmouth packet at Malta, on her return, on the 24th of each month.

Your Lordships trust that by this arrangement the Court will be able so to regulate the remainder part of the communication as to ensure a monthly transmission of letters to and from India; and they are desirous of being informed whether the plan meets the views of the Court.

I beg, therefore, to suggest, that, without waiting for the final instructions which the Court may deem it necessary to issue, they should at once desire the Bombay Government to send the "Hugh Lindsay" from that port, so that she may convey letters

2 CORRESPONDENCE relative to ESTABLISHMENT OF

letters from India to reach the Admiralty packet, which it is proposed should leave Alexandria for Malta on the 15th of March next.

The Chairman and Deputy-Chairman
of the East India Company.

I have &c
(signed) *Chas Grant*

Sir,

India Board, 3 November 1834.

I AM directed by the Commissioners for the Affairs of India to transmit to you, for the information of the Court, copy of a letter from the Secretary of the Admiralty to the Under-Secretary of State for Foreign Affairs, the object of which is to engage the co-operation of the Pacha of Egypt in the intended communication with India by stean.

1 October 1834

I also enclose, for the information of the Court, copy of a letter which was written by the President of the Board to Viscount Palmerston, of the 22d August last, by which it will appear that the attention of his Lordship had previously been called to this object on the part of the Board.

22 August 1834

Peter Auber, Esq.
&c. &c. &c.

I am, &c
(signed) *J. A. Stewart Mackenzie*

(Copy.)

Sir,

Admiralty, 21 October 1831.

I AM commanded by my Lords Commissioners of the Admiralty to acquaint you for the information of Viscount Palmerston, that it is their Lordships' intention to employ a steam-vessel to convey despatches and passengers to and from Malta and Alexandria; and that the first steamer will be ordered to sail from Malta in the course of the month of January next, or February at farthest. My Lords therefore request that his Lordship will direct a communication to be made to the Pacha of Egypt of this intention of his Majesty's Government, and request that his Highness will be pleased to give such directions and to make such arrangements as may facilitate the intercourse between the two nations for their mutual benefit; and as it is intended to be the means of keeping up a speedy and regular communication with India, by the way of the Red Sea, it would be very desirable that every facility should be afforded by the Pacha for the conveyance of letters and passengers between Alexandria and the port of the Red Sea to which the steamer from India may be destined, and which will be either Cossen or Suez; at the former of which the next steamer from India, as announced by the East India Company, may be expected to arrive in the course of the month of March next.

John Backhouse, Esq.

I am, &c.
(signed) *Jno Barro*

(Copy.)

My Lord,

India Board, 22 August 1834

THE Select Committee of the House of Commons appointed to inquire into the practicability of establishing a regular communication by steam-vessels between India and England, have reported, that the route by way of the River Euphrates presents the prospect of so many advantages, physical, commercial, political and economical, that it is eminently desirable that it should be brought to the test of a decisive experiment; and Parliament has in consequence placed 20,000*l* at the disposal of his Majesty's Government, which it is intended to apply to the purpose of trying that experiment with the least possible delay.

Under these circumstances, it becomes a matter of the utmost importance that the favour and cordial co-operation of the Princes through whose territories the line of the experiment must be carried, should be conciliated and secured to the enterprise.

I have therefore to request that your Lordship will direct Lord Ponsbury and Colonel Campbell to obtain from the Sultan and the Viceroy of Egypt authority to make the proposed experiment, and instructions to the local officers to afford every assistance and protection in the course of its prosecution.

I am engaged in the necessary preparations for carrying into effect the intentions of The House of Commons, and will, as soon as I can, communicate to your Lordship the names of the officers selected for the expedition. But I deem it, in the meantime, most desirable that the subject should be brought under the favourable consideration of the Sultan and the Pacha of Egypt, and this, too, at the

STEAM COMMUNICATION *between SUEZ and BOMBAY, &c.* 3

earliest moment, in order that any sinister representations, if any such should be attempted, of the objects and consequences of the contemplated measure, may be anticipated by a full and just exposition of its real character and bearings; if being, in truth, a measure calculated to promote, not British interests alone, but emphatically and perhaps pre-eminently the interests of those countries to which it has intermediate reference.

I am, at the same time, sanguine in the expectation that neither the Sultan nor the Pacha will feel the slightest difficulty in extending a cordial patronage to the execution of such a design, especially as a fair consideration of it cannot fail to convince them how materially its success may contribute, not only to the wealth, but also to the security, external and internal, of their respective dominions.

The Viscount Palmerston,
&c. &c. &c.

I have, &c.
(signed) C. Grant.

Sir,

East India House, 8 April 1835.

I AM commanded to forward copy of a Resolution passed by the Court of Directors of the East India Company on the 25th ult., on the subject of the provision of new steam-vessels for the use of the Bombay Presidency; and I am to request that the same may be submitted to the Board of Commissioners for the Affairs of India, and their authority obtained for the Court, to take the necessary steps for carrying into execution the measure therein proposed.

W. M. Praed, Esq.
&c. &c. &c.

I have, &c.
(signed) P. Auber, Secretary.

At a Court of Directors, the 25th March 1835,

Resolved, THAT, having had under consideration the probable expense of an efficient establishment of steam-vessels for the packet service of the Red Sea, which has been estimated, by competent authority, at 80,000 *l.* for two-thirds of the year, excluding the four months of the south-west monsoon, and at a much higher sum than 120,000 *l.* annually if the charges of navigation during the prevalence of the monsoon be included, this Court cannot consent to impose so great a burthen on the Indian finances without some specific pledge on the part of His Majesty's Government for the equal division of the charge, as recommended by the Parliamentary Committee in 1834.

That the Court, deeming it, however, desirable that provision should be made for the transmission of occasional despatches by steam-vessels from Bombay, as well as for other emergent service, and adverting to the number and condition of the steam-vessels now attached to the Presidencies of Bengal and Bombay, two new steam-vessels, of from 500 to 600 tons capacity, and 200 horse-power, be built in this country for the general service of the Indian navy at Bombay, at the estimated expense of 60,000 *l.*, and

That the Revenue and Judicial Committee be authorized to take the necessary steps for carrying the measure into execution.

Sir,

India Board, 10 April 1835.

With reference to your letter of the 8th instant, I am directed by the Commissioners for the Affairs of India to state, that in a matter involving so large an outlay they do not feel themselves justified in giving unlimited authority to the Revenue and Judicial Committee, and they request to be informed whether it be proposed to purchase the steam-vessels by public tender or by private contract, whether it be intended that they should be fitted with iron or with copper boilers, and whether they are to be built solely for packets, or likewise for purposes of war.

The Board are disposed to think that steam-vessels of 450 tons would answer all the purposes of packets, and the annual charge, as well as the original cost, of
603. vessels

vessels of that size would be so very much smaller, that they are, as at present informed, disposed to consent only to the purchase of such vessels, unless it should appear to be the opinion of naval officers of Indian experience that the addition of 150 tons, and corresponding horse-power, would add materially to their efficiency as vessels of war in the eastern seas.

I have, &c.

Peter Auber, Esq.
&c. &c. &c.

(signed) *Sidney Herbert.*

Sir,

East India House, 23 July 1835

I AM commanded by the Court of Directors of the East India Company to request that you will submit to the Board the following observations of the Court, in reply to Mr. Herbert's letter of the 10th April last, on the subject of steam-vessels for the Bombay Presidency: first, with reference to the refusal of the Board to give the authority proposed by the Court to the Revenue Committee: the Court acted in the same manner as on the provision of iron boats for the Ganges, when the same authority was given by the Court to the Committee of Correspondence, whereby much time and many references were saved; and the Court had no reason to consider the results as being otherwise than beneficial to the public service.

Secondly. With reference to the question whether it was proposed to purchase the vessels by public tender, or by private contract; it was the purpose of the Court to limit the invitations to tender, to persons of established reputation in the building and fitting of steam-vessels.

Thirdly. With reference to the question whether it was intended that the vessels should be fitted with iron or copper boilers, it is apparent, from the papers referred by the Committee to the Court, that it was intended to fit the vessels with copper boilers.

Fourthly. With reference to the question whether it was intended that they should be built solely for packets, or likewise for purposes of war, it was intended to build them for the general service of the Governments of India, including the suppression of piracy and the transport of troops, and not exclusively or even principally for packets, as it is expressly stated in the report itself, that the Court does not propose to take any measures relative to the formation of a Red Sea steam-packet establishment, till they shall have received from his Majesty's government a distinct pledge to bear one-half of the expense, according to the recommendation of the Select Committee of the House of Commons.

Fifthly. With respect to the opinion of the Board in favour of smaller vessels than those proposed by the Court, the Court consider the examples of the "Enterprize," the "Forbes," the "Ganges," and the "Irawaddy," practically conclusive against that opinion. The "Hugh Lindsay" is a vessel of inadequate tonnage for the fuel of a long voyage; but having great proportional power, she is able to do what no other vessel in India can do, to go and return within a moderate time between Suez and Bombay. Large vessels have this recommendation for long voyages, that double power propels more than double the bulk, and there is, of course, greater proportional stowage for fuel, and greater space for general accommodation; and great power has this recommendation, that, though it consumes more fuel in equal times it consumes less in equal distances, especially against head winds.

The object of the Court was, on a careful comparison of the many valuable opinions brought before them, to fix on that amount of tonnage and power which would best combine all the objects in view; they believe that, with respect to steam-vessels especially, that which appears cheapest in the beginning, will be dearest in the end, and that there is no advisable medium between having them of the best and most efficient construction, and dispensing with them altogether. The Court is not willing to take upon itself an expenditure of public money, from which it cannot anticipate any other result than an addition to the number of inefficient steam-vessels with which the Indian governments are already encumbered; but they are perfectly willing that the whole question should stand over till the opinions not only of "naval officers of Indian experience," as proposed by the Board, but of persons of ample experience in steam navigation, shall have

been

STEAM COMMUNICATION *between SUEZ and BOMBAY, &c.* 5

been collected in sufficient number, either to convince the Court that they are in error, or to induce the Board to concur in opinion with the Court.

I have, &c.
R. Gordon, Esq., &c. &c. &c. (signed) P. Auber, Secretary.
India Board.

Sir, India Board, 6 August 1835.
I AM directed by the Commissioners for the Affairs of India to acknowledge the receipt of your letter of the 23d ultimo, in reply to the inquiries contained in Mr. Herbert's letter of the 10th April, on the subject of steam-vessels for the Bombay Presidency.

The Board, having taken the Court's explanation into their deliberate consideration, together with what they have stated in favour of the description of steam-vessels, which they recommend as adapted to the peculiarities of the Indian service, are disposed to acquiesce in the proposition "that two steam-vessels of from 500 to 600 tons capacity, and 200 horse-power be built in this country for the general service of the Indian Navy, the estimated expense being 60,000*l.*"

As these vessels, however, are understood to be applicable to all the services on which a cruiser can be employed, and to be further capable of following piratical vessels into positions which a cruiser cannot approach, the Board are of opinion, that a proportion, at least, of the expense now authorized should be provided for by a reduction of two cruisers of the Indian Navy, in consideration of the increased efficiency to be obtained by an addition of two such powerful steam-vessels of the description recommended by the Court.

If the Court, therefore, are of opinion, that the services of two of the Company's cruisers can be dispensed with, from the time when the new steam-vessels shall arrive in India, the Board are prepared to sanction the Court's proposal, and to leave the details of the arrangement to the Court, as in the instance when the iron steam-boats were provided for the Ganges.

I am, &c.
Peter Auber, Esq. (signed) R. Gordon.

Sir, East India House, 13 August 1835.
I HAVE laid before the Court of Directors of the East India Company your letter, under date the 6th instant, relating to the purchase of steam-vessels for the Bombay Presidency, and I am commanded to acquaint you, that the Court readily accede to the conditions proposed by the Board of Commissioners for the Affairs of India.

I have, &c.
Robert Gordon, Esq., M. P. (signed) P. Auber, Secretary.

Sir, East India House, 14 July 1836.
We have the honour, at the request of the Court of Directors of the East India Company, to transmit, for your information, the accompanying copy of a Resolution which the Court of Directors adopted on the 6th instant upon the subject of steam communication with India.

We have, &c.
The Right hon. Sir J. Hobhouse, Bart., (signed) J. R. Carnac, John Loch.
&c. &c.

At a Court of Directors, the 6th July 1836.

A REPORT from the Joint Finance and Home and Revenue and Judicial Committee, dated the 5th instant, being read,

Resolved, by the ballot, that this Court approve the said Report.

That, accordingly, this Court continue to entertain the opinion contained in the following Resolution of the 25th March 1835; viz—

“That, having had under consideration the probable expense of an efficient establishment of steam-vessels for the packet service of the Red Sea, which has been estimated, by competent authority, at 80,000*l.* for two-thirds of the year, excluding the four months of the south-west monsoon, and at a much higher sum than 120,000*l.* annually, if the charges of navigation during the prevalence of the monsoon be included, this Court cannot consent to impose so great a burthen upon the Indian finances, without some specific pledge on the part of his Majesty’s Government for the equal division of the charge, as recommended by the Parliamentary Committee in 1834, viz.—

“That, by whatever line the communication be established, the net charge of the establishment should be divided equally between his Majesty’s Government and the East India Company, including in that charge the expense of the land conveyance from the Euphrates, on the one hand, and the Red Sea, on the other, to the Mediterranean.”

Gentlemen,

India Board, 11 August 1836.

IN reply to your letter of 14th July, containing a Resolution of the Court of Directors relative to a communication with India by steam, I have to remark that, although it is very true, as stated in that Resolution, that a Committee of the House of Commons did recommend an equal division of the expenses to be incurred for such an object, between the King’s Government and the East India Company, yet neither the House of Commons nor his Majesty’s Ministers have hitherto expressed their concurrence in that recommendation. Nor am I now authorized to signify to you the assent of the Government to any such arrangement. I scarcely need remind you that Parliament has already voted 28,000*l.* in aid of the Euphrates experiment, and that a large annual outlay is required from the public purse for the transmission of mails from England as far as Egypt. But I trust you will excuse me for adding, that the increasing demand for establishing some regular and frequent steam communication with India will, in case the Court of Directors should decline to co-operate with this Board for that object, compel his Majesty’s Government to have recourse to other assistance for the accomplishment of so desirable a purpose.

I have, &c.

(signed) *John Hobhouse*

The Chairman and Deputy Chairman.

Sir,

India Board, 7 December 1836.

I AM directed by the Commissioners for the Affairs of India to transmit to you, for the information of the Court of Directors of the East India Company, copy of a Report from the Committee for promoting Steam Navigation with India.

The Report was framed in compliance with the request of Sir John Hobhouse, and the Board request to be favoured with the Court’s observations on the plan and proposal of the projected Company.

I am, &c.

(signed) *R. Gordon*

J. C. Melvill, Esq
&c. &c. &c.

(Copy.)

(Copy.)

To *William Hutt, Esq., M.P.*

The REPORT of the COMMITTEE for promoting STEAM NAVIGATION with *India.*

WITH reference to that part of the letter addressed to you by the Right honourable Sir John Hobhouse, on the 27th August last, requiring that "previously to giving any precise answer to the proposals made by the Company associated to promote Steam Navigation to India, it is indispensable that the King's Government and the Court of Directors should be made aware of the exact terms on which the Company intend to undertake the project in question," the Provisional Committee beg to report to you the plan and terms of the proposed undertaking, with a request that you will be kind enough to lay them before Sir John Hobhouse.

The Company proposed to despatch monthly from England a steam-vessel of competent power and size to touch at Cadiz, Gibraltar, Malta and Alexandria, taking to those places his Majesty's mail-bags, &c., as now performed by the Government vessels, the postage relating to those mails remaining, as at present, in the hands of his Majesty's Government.

That the most efficient plan be adopted by the Company for the transmission of despatches, letters, &c., to India, across the Isthmus of Suez, to meet the proposed Company's vessels in the Red Sea, from whence, in the first instance, it is intended they should be forwarded to Bombay.

That a vessel start also every month from Bombay to the Red Sea.

That all Government despatches and letters to and from India, together, also, with a messenger (if so required), be taken free of every charge whatever, other than the general annual amount hereinafter stated; but all private letters, &c. be chargeable with a sea-postage in favour of the Company, and the Company protected against private carriage of letters by parcels, &c. as exists in this country; the inland postage in respect of those letters to be in the hands of Government.

That the Government give the proposed Company a contract for a period of years to be agreed upon, and an annual sum of 40,000*l.* for performing the above services, the Company entering into a sufficient contract for the regular and proper fulfilment of their undertaking, subject to accustomed risks and liability.

That the East India Company, in consideration of their despatches being carried by the proposed Company, pay 25,000*l.* per annum, a proper contract being also entered into with them for the fulfilment of the engagement.

The Committee, anxious to afford every explanation to his Majesty's Government and East India Company, have no hesitation in disclosing that their calculation of the expenses attending the performance of the undertaking, after allowing only 5*l.* per cent. on capital, amounts to the annual sum of £.136,500

Required of the Government as above	£. 40,000	
East India Company, ditto	" 25,000	
	65,000	
Leaving a deficiency of	- - - -	£. 71,500

which the Company will defray. They will also find the necessary capital, which, in the outset, is estimated at 250,000*l.*; but as the other Presidencies are brought into the operation, an increased proportionate outlay will be required.

The Provisional Committee, in reply to that part of the letter of Sir J. Hobhouse requiring "that the Government should be made acquainted with the parties who are the *bond fide* members of the Company," have the pleasure of sending you a list of the parties who have already engaged to support this undertaking, embracing most of the principal houses connected with India in the city of London, to which place the measure has been as yet confined. The Committee beg to explain to you that the list of subscribers was only commenced on the 13th ultimo; that not an advertisement has been inserted to solicit subscriptions; that they have had to contend with a depressed state of the money market, and a period of the year when business is proverbially inactive. The Committee have, however, the satisfaction of stating their conviction that every subscription will be paid up, and that the list is now in course of signature at Liverpool, Manchester, Dublin, Glasgow, Edinburgh, &c., as well as in London; and from the anxiety which has been manifested in those places, as also in India, the Committee entertain

tain no doubt of their capital being forthcoming in a limited time ; but if the sanction of the Government and East India Company were once avowed, there would be no difficulty, even under existing circumstances, in forthwith completing the subscriptions. It will be seen that the amount already subscribed is more than sufficient to enable the Company to proceed with the operation, if the Committee should decide upon the chartering of vessels, instead of building, for a portion of the route at the commencement of the undertaking, a course which may be deemed advisable. The Committee, in conclusion, trust, on consideration of all the circumstances, they will be entitled to the determination of his Majesty's Government and the East India Company, as kindly promised in the letter from the President of the Board of Control before alluded to.

By Order of the Provisional Committee,
(signed) *Charles F. Head*, Chairman.

Sir,

East India House, 1 February 1837.

I HAVE laid before the Court of Directors of the East India Company your letter, dated the 7th December last, requesting that the Board of Commissioners may be furnished with the Court's observations on the plan and proposal contained in a Report, of which you enclose a copy, for the formation of a Company to undertake the establishment of steam communication with India.

In reply, I am commanded to state, that the Court having maturely considered the subject, are of opinion that, in order to insure the efficiency and permanency of steam communication with India, it should be established and maintained by his Majesty's Government and the East India Company ; and that on this ground, independently of the objections to conferring upon the projected Company the right of levying postage, the proposition submitted in the Report cannot be entertained ; but while such is their opinion upon that proposition, they desire distinctly to state their readiness to concur in the establishment of a monthly steam communication with India by the way of the Red Sea, upon the principle which was recommended by the Committee of the House of Commons in 1834, and to which they have on former occasions referred, viz. an equal division of the expense between his Majesty's Government and the East India Company.

The Court submit that the expense to be thus divided should be the charge which might be actually incurred for the object to be effected ; and as his Majesty's Government have already a packet establishment for other purposes between Falmouth and Malta, the conveyance of the India mails to and from Malta would not be attended with any charge to his Majesty's Government. The expense of the necessary establishment beyond that place is, therefore, all that would be incurred on account of India, and, consequently, all which the East India Company should be called upon to share.

The Court being, however, anxious that the settlement of this question should be no longer delayed, are willing, as his Majesty's Government have extended the packet communication from Malta to Alexandria, to waive the claim which India might possess to a share in the postage, which in such case would be received by his Majesty's Government to and from Bombay, instead of, as at present, to and from Alexandria.

Should his Majesty's Government consent to this principle as a basis for future proceedings, the Court would be prepared to enter upon the necessary arrangements, in framing which, it appears to them to be requisite that his Majesty's Government should issue such directions with respect to the mail from Alexandria and Malta for this country as would obviate the inconvenience which has already resulted from the departure of the packet from Alexandria before the arrival there of the mail from India.

I have, &c.

(signed) *Jas. C. Mcvill*,
Secretary.

R. Gordon, Esq., M.P.
&c. &c. &c.

Gentlemen,

STEAM COMMUNICATION *between SUEZ and BOMBAY, &c.* 9

Gentlemen,

India Board, 10 March 1837.

I HAVE the honour to enclose, for your perusal, copy of a letter addressed to this Board by the Lords of the Treasury, in reference to the proposal made by the Court of Directors for establishing a regular and speedy communication to and from India.

You will perceive that their Lordships request the Commissioners for the Affairs of India and the Court of Directors, to communicate with the Post Office, in order to obtain an estimate of the probable expenses which may be incurred by the establishment of a line of packets for the required monthly conveyance of the Indian mail, either by the Red Sea, or by the Persian Gulf; and I would thank you to inform me what officer of the India House it may be your wish to appoint for the performance of this duty.

I have also to direct your attention to the concluding paragraph of their Lordships' letter, and to state, that I entirely concur in the view therein expressed, as I am convinced that any plan which does not embrace a communication by steam-packets with Madras and Calcutta, as well as with Bombay, will entirely fail to give public satisfaction, and to fulfil the just expectations of the people both of England and of India.

I have, &c.

The Chairman and Deputy Chairman,
&c. &c., India House.

(signed) *John Hobhouse.*

(Copy.)

Sir,

Treasury Chambers, 9 March 1837.

WITH reference to Sir John Hobhouse's letter, dated the 3d ultimo, enclosing copy of one from the East India Company relative to a speedy and regular communication with India by the way of Malta, Alexandria and the Red Sea, I am commanded by the Lords Commissioners of his Majesty's Treasury to state to you, for the information of his Majesty's Commissioners for the Affairs of India, that my Lords concur with the President of the Board of Control in thinking that a speedy and certain communication with India is a matter of so much importance to the whole of the King's subjects, that it is fitting to assist in its attainment by some contribution from the public resources, and their Lordships are therefore willing to admit the principle stated in the correspondence before them, but they will require more precise and definite information before they can lay the case before Parliament; and, with this view, I am to request that you will move the Commissioners for the Affairs of India to put the proper authorities in communication with the Post Office department, in order that a more clear and precise plan and estimate may be submitted to this Board.

Their Lordships, of course, assume, that the question reserved for their consideration will embrace the communication by steam with the three Presidencies.

I am, &c.

The Secretary to the Board of Control.

(signed) *F. Baring.*

Sir,

East India House, 30 March 1837.

I HAVE had the honour to receive, and to lay before the Court of Directors of the East India Company, your letter dated the 10th instant, with its enclosure; and I am requested to express the satisfaction of the Court at finding that their proposal, as submitted in the letter from the Deputy Chairman and myself, dated the 1st ultimo, for establishing a communication from Alexandria to Bombay by way of the Red Sea, at the joint expense, in equal shares, of his Majesty's Government and the Company, his Majesty's Government being entitled to all the postage to and from that Presidency upon letters sent by that route, is acceptable to the Lords of the Treasury.

The Court are aware that it will be necessary to promote by every possible means facility and quickness of communication between Bombay and Calcutta and Madras, and they have observed, by recent intelligence, that the Government of India has adopted arrangements for the acceleration of the Dawk, by which, packets may be conveyed from Bombay to Calcutta in from eight to ten days,

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and to Madras in about seven days, and which the Court consider to be a much more rapid and certain, and unquestionably more economical, mode of communication than a steam conveyance.

The Court submit, that the question either of altering the India station for the steam-packets, or of establishing a branch communication by steam between Bombay and the other Presidencies, should be reserved for consideration after trial has been fairly made of the plan suggested in their former letter; but they are prepared to authorize the Bombay Government, in the event of the difficulties on the line of the Red Sea, in the months of June, July, August and September, being found insuperable, to take such measures pending the determination of the home authorities upon the subject for forwarding the packets to or from Bombay by the Persian Gulf during those months as may ensure a regular monthly communication.

In reference to the desire expressed by the Lords of the Treasury, that the proper authorities should be put in communication with the Post-office department, in view to a more clear and precise plan being submitted to their Lordships, the Court request me to state, they will instruct their Secretary, who is also their financial officer, to confer with any officer who may be named by his Majesty's Government, for the purpose of preparing an estimate of the expense, or of collecting any further information that may be thought necessary.

I have, &c.

The Right honourable
Sir John Hobhouse, Bart., M. P.

(signed) *James R. Carnac.*

Sir,

General Post Office, 17 April 1837.

I HAVE received the commands of the Postmaster-general to acquaint you, for the information of the Court of Directors of the East India Company, that whenever it is convenient to them, I shall be happy to communicate with any officer they may be pleased to depute on the subject of the conveyance of mails between Alexandria and Bombay, with a view to framing a plan which can be laid before the Postmaster-general for his Lordship's decision, so far as the Post Office is concerned.

I have, &c.

J. C. Melvill, Esq.
&c. &c.

(signed) *W. L. Maberly.*

Sir,

East India House, 19 April 1837.

HAVING laid before the Court of Directors of the East India Company your letter, dated the 17th instant, I am commanded to inform you, that the Court have instructed me to communicate with you on the subject of the proposed arrangement for the conveyance of packets between Alexandria and Bombay; I shall accordingly have the honour of waiting upon you at any time which you may appoint for that purpose.

I have, &c.

Lieut.-Col. W. Maberly,
&c. &c. &c.

(signed) *Jas. C. Melvill, Secretary.*

Sir,

General Post Office, 3 May 1837.

WITH reference to the interview which I had the honour to have with you, under the directions of the Lords Commissioners of his Majesty's Treasury, on the subject of establishing a regular steam-packet communication between Great Britain and the East Indies, I am commanded by my Lord the Postmaster-general to request that you will submit to the Board of Directors, for their consideration, the following scheme for carrying that desirable object into effect.

That the mails shall be despatched monthly from this country, as at present, and conveyed by his Majesty's steam-packets to Egypt or Syria, as may be decided upon, at the expense of this Government.

That the mails shall be delivered to the Company's agent in Egypt or Syria, and conveyed, under the Company's management, and at its expense, from thence to Bombay.

That

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That corresponding mails for this country shall be despatched from Bombay in steam-packets at the expense of the Company for conveyance to Europe.

That in all practicable cases the route of the Red Sea and Suez to Alexandria shall be adopted in preference to that by the Persian Gulf and Beyrout.

That the whole of the postage to be charged upon letters passing by this communication is to belong to the British Post Office; and, with a view to induce the public to use this route for their correspondence, my Lord the Postmaster-general is inclined to make the rate of charge as moderate as possible, and will recommend the Government to fix it as low as the rate of 2 s. 6 d. for each single letter, and so on in proportion.

His Lordship also proposes that the Act 59 Geo. 3, c. 111, for regulating the despatch and receipt of letters and newspapers by private ships to and from the places within the limits of the East India Company's Charter, shall be repealed, and that the whole shall be placed under the operation of the general ship-letter laws affecting the communications with other countries by private ships; and, in order to give full effect to the laws in this respect, I have his Lordship's commands to express his hope that the Court of Directors will prohibit any collection of letters for transmission to India being made at the East India House, and that the public may be referred to this office as the only legitimate channel for correspondence.

His Lordship also proposes that letters shall be sent free of postage to and from India by the Chairman, Deputy Chairman, and Secretary of the East India Company, when conveyed by his Majesty's packets, or by private ships, in the same manner as that privilege is at present enjoyed by them; but in case those letters are forwarded through any foreign country, thereby rendering them liable to charges for transit postage, then the franking privilege shall not attach to them in respect of those charges.

It may possibly be expedient to forward mails or despatches from India by a messenger from Malta *vid* France, and, in such case, it may produce a question as to by whom the expense should be borne; but as regards the charges for the conveyance of the mails, &c., between Alexandria and Bombay, they are to be paid in equal proportions by the British Government and the East India Company, agreeably to the decision already made by the Lords of the Treasury.

J. C. Melvill, Esq.
&c. &c.

I have, &c.
(signed) *W. L. Maberly.*

Sir,

East India House, 24 May 1837

I HAVE had the honour to receive, and to lay before the Court of Directors of the East India Company, your letter dated the 3d instant, detailing the plan by which it is proposed to carry into effect the arrangement which has been agreed upon between the Lords of the Treasury and the Court for establishing a line of steam-packets between Great Britain and the East Indies, and I have the Court's commands to make the following communication to you in reply:—

Upon the first proposition,

“That the mails shall be despatched monthly from this country, as at present, and conveyed by His Majesty's steam-packets to Egypt or Syria, as may be decided upon, at the expense of this (the British) Government,” it is unnecessary for the Court to make any observation.

With respect to the second and third propositions, *viz.*

“That the mails shall be delivered to the Company's agent in Egypt or Syria, and conveyed under the Company's management, and at its expense, from thence to Bombay,” and, “That corresponding mails for this country shall be despatched from Bombay on steam-packets, at the expense of the Company, for conveyance to Europe,” the Court, referring to the conclusion of your letter, in which you recite the arrangement already agreed upon for the charges of the communication between Alexandria and Bombay, being “paid in equal proportions by the British Government and the East India Company,” understand the expression “at its expense,” in the propositions which have been quoted, to mean, that the Company shall, in the

first instance, disburse the requisite funds, and be subsequently reimbursed to the extent of one-half of the amount disbursed.

With this understanding, and upon the condition, that the moiety is to be calculated upon the net amount disbursed in each year, whether for the purchase and repair of steam-vessels (including the value of any which the Company may already possess, and which may be applied to this purpose), or for their equipment and stores, and for the maintenance of the requisite establishments, or on any other account, and that such moiety shall be reimbursed to the Company in England at the termination of each year, the Court are prepared to acquiesce in the propositions in question: I am, however, to add, in reference to that passage of your letter in which you state that a question may arise as to who should bear the expense of messengers from Malta, that it has been distinctly understood between his Majesty's Government and the Court that the Company are to bear no part of the expense that may be incurred on any account whatever on this side of Egypt or Syria.

The fourth proposition,

“That in all practicable cases the route of the Red Sea and Suez to Alexandria shall be adopted in preference to that by the Persian Gulf and Beyrout,” does not appear to call for any remark, as the arrangement in that respect must necessarily depend on future contingencies.

The Court have already agreed “that the whole of the postage to be charged upon the letters passing by this communication is to belong to the British Post-office:” they are glad to find that the Postmaster-general is disposed to make the rate of charge moderate.

With respect to the proposition for repealing the Act of the 59th Geo. 3, c. 111, and for placing ship-letters to and from India under the operation of the law affecting that kind of communication with other countries, the Court desire me to remark, that all such letters are at present subject to a moderate rate of charge in India, which forms part of the Post-office revenue in that country: the Court, therefore, propose, that the ship-letter postage hereafter chargeable by the British Post Office be less than that chargeable upon letters to other parts, to the extent of the sum now levied upon such letters by the Indian Post Office.

The Court will be prepared to prohibit any collection of letters being made at this house for transmission to India, it being, of course, understood that this prohibition is in no degree to interfere with the present practice of forwarding the Company's packets of despatches.

I am, &c.

Lieut.-Col. Maberly,
&c.

(signed) *James C. Melvill.*

Sir,

General Post Office, 29 May 1837.

I HAVE the honour to acknowledge the receipt of your letter of the 24th instant, conveying the sentiments of the Court of Directors of the East India Company upon the propositions which I was directed, by the Postmaster-general, to submit for their consideration, in regard to the plan for establishing a line of steam-packets between Great Britain and the East Indies.

With respect to the stipulation, that in the event of the repeal of the 59th Geo. 3, c. 111, and the letters to and from India by private ship being brought under the operation of the general ship-letter laws, the rate of postage to be taken by the British Post Office shall be less than that chargeable to other parts, to the extent of the sum now levied upon such letters by the Indian Post Office, I am commanded to observe, that the Postmaster-general sees no reason why the circumstance of this local charge should interfere with the proposed arrangement, which would be productive of so much convenience to the Post Office, by simplifying the present laws, and bringing under one uniform system the whole of the letters at present despatched by private ships, his Lordship does not propose any alteration with regard to the Indian postage, which the Company would be at perfect liberty to continue if the East Indian Act should be repealed; and if it should be thought that the increased rate of charge from this country might diminish correspondence, when it is recollected that in all cases, except where the letters are put in at the ports from whence the ships sail to India, or are addressed to the ports at which the ships from India land their letters, they are charged with the inland postage

postage in addition to the ship-letter rates, there would probably not be that difference between the charges under the present and proposed arrangement which might at first be imagined. His Lordship also directs me to state, that when he is making so great a concession in recommending that only a rate of 2s. 6d. should be taken on a letter forwarded by packet to India, which is 8d. less than the postage to Malta only, he thinks it reasonable to expect that the East India Company will on their part be equally liberal, and not press objections to a measure which was recommended before the subject of establishing a packet communication with India was entertained, and which is desired not for the sake of revenue, but merely for that of convenience and simplicity: his Lordship therefore, under all the circumstances, ventures to hope that the Court of Directors, whether they decide to retain their charge on letters in India or not, will interpose no obstacle to his proposition as originally suggested.

With regard to the privilege claimed by the Directors, of their despatches being sent free of postage, as your letter only refers generally to the proposition which I was directed to make to the Directors on this subject, I am further commanded to explain, that the Postmaster-general has no objection that the Company's despatches should be made up and forwarded, as at present, by private ship; nor that their despatches should also be forwarded by packet, free of postage, provided they are confined to official documents, and sent through the Post Office, on the understanding, however, that the power of franking other letters than official documents shall be limited to the Chairman, Deputy Chairman and Secretary, to whom his Lordship intended the personal privilege should be confined.

I am directed to add, that his Lordship acquiesces in the interpretation which the Court of Directors have put upon the proposition with respect to the expenses of the undertaking, viz., that the Company should be reimbursed half the expenditure incurred, after deducting any proceeds they had received from passengers, &c., the postage on the letters conveyed to be entirely surrendered to the Post Office.

I will thank you to favour me with the further sentiments of the Court of Directors on these points, that the Postmaster-general may be enabled to bring the whole question under the consideration of the Lords of the Treasury at the earliest possible period.

James Melvill, Esq., &c. &c. &c.
East India House.

I have, &c.
(signed) *W. L. Maberly.*

Sir,

East India House, 3 June 1837.

I AM commanded by the Court of Directors of the East India Company to acknowledge the receipt of your letter, dated the 29th May, and to acquaint you, in reply, that the Court will not further press their objection to the placing the ship-letter communication with India under the same regulations as that with other parts, that arrangement being without prejudice to the unquestioned right of the Court to levy what postage they think fit on ship-letters in India.

The explanations which you have given of the mode in which the Company's despatches are to be forwarded, and the franking privilege exercised, accord with the impressions of the Court, derived from what had previously passed in correspondence with you upon these subjects.

Lieut.-Col. Maberly,
Post Office.

I am, &c.
(signed) *James C. Melvill,*
Secretary.

Gentlemen,

India Board, 24 July 1837.

I HAVE the honour to request your attention to the accompanying letter from the Honourable W. Fox Strangways, with its enclosures, and particularly to the Memorandum from the Foreign Office on Colonel Maberly's letter of the 12th instant, by which it appears that a monthly communication with Alexandria, by way of Marseilles, in the manner therein proposed, would involve an annual expenditure of about 3,500 *l.*, and that if the arrangement is to continue in operation, the Foreign Office are not prepared to defray any portion of the charge.

613.

B 3

My

My own opinion is, that this charge is one which the Queen's Government and the Court of Directors might very properly divide between them; for, although the Government have already engaged to defray the whole expense of transmission of Indian mails between England and Alexandria, that engagement applies to the ordinary conveyance by sea to Egypt, and the present proposal ensures an advantage not originally contemplated when the arrangement was concluded between the Government and the Court of Directors.

If the Court should take the same view of the question with myself, I should request them to signify their wishes to me in regard to the appointment of the three half-pay officers, or other individuals whom it may be requisite to select for this service, as suggested by Viscount Palmerston.

An early reply to this communication is desirable, as, in the event of its being the wish of the Court to act upon the suggested arrangement by the next opportunity, Viscount Palmerston should, without delay, be apprised of the fact, in order that he may give directions in regard to the despatch of a messenger to Marseilles on the 5th of August next, and issue such further orders as may be found to be necessary.

To save time, the enclosures are sent in original; and I request that they may be returned to me with your answer

I have, &c.

(signed) *John Hobhouse.*

To the Chairman and Deputy Chairman.

Sir,

Foreign Office, 21 July 1837

WITH reference to the correspondence which has lately passed between this department and the Board of Control, on the subject of the transmission of the Indian despatches between this country and Egypt, *via* Marseilles, I transmit to you the copy of a letter from the Post Office, with its enclosures, from which it will be seen that the French Post Office obtained possession of the Indian despatches, of which Colonel Chesney was the bearer.

I also transmit to you a memorandum which has been drawn up in this department, containing suggestions founded upon the practice of this office in similar cases for the arrangements to be made for carrying into effect the plan of a regular monthly communication by messenger between this country and Egypt, through France.

I am directed by Lord Palmerston to request that, in bringing these papers under the consideration of the Commissioners for the Affairs of India, you will state to them that his Lordship is of opinion that, instead of employing Foreign-Office messengers to go backwards and forwards between Marseilles and Alexandria, it might be preferable that some half-pay or retired officers of Her Majesty's Navy should be selected for that duty; and the Admiralty would, no doubt, be able to find some trusty individuals for the performance of this service.

I am, &c.

Robert Gordon, Esq.
&c. &c. &c.

(signed) *W. Fox Strangways*

P. S.—I also transmit the copy of a despatch, with its enclosures, from Her Majesty's Ambassador at Paris, respecting the despatches taken from Colonel Chesney.

Sir,

General Post Office, 18 July 1837

I AM commanded by my Lord the Postmaster-General to transmit, for the information of Viscount Palmerston, the enclosed copies of letters from Colonel Chesney and the Director-General of the posts in France, on the subject of the transmission through that country of letters and Government despatches from India, &c., and to suggest, for his Lordship's consideration, that some system should be organized, so as to admit of a messenger taking charge of the despatches on board the French packet, either from Alexandria or Malta to Marseilles, at which latter port another messenger would be required, on account of the quarantine,

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rantine, which the first would be subjected to there, the despatches being addressed to the Secretaries of State, in order that they may be exempt from examination in passing through the French Post Office.

John Backhouse, Esq.
&c. &c. &c.

I have, &c.
(signed) *W. L. Moberly.*

Sir,

“Le Dante,” 5 July 1837,
(approaching Marseilles).

I HAVE the honour to inform you, that I am just arrived from India, with despatches and a mail from each of the Presidencies, with which I crossed the Great Desert of Arabia in 17 days; but, as the “Hugh Lindsay” was five days longer in her passage to the Gulf than had been anticipated, and as the packet left Beyrout before the usual time, I was too late, and therefore was obliged to take the French line of packets, feeling, as I did, that it would not be right, under all the circumstances, public as well as mercantile, in this crisis to lose even one day.

The quarantine will detain me here most likely 20 days; but I shall endeavour to have the packets forwarded, so as to forward them, if possible, this evening to his Excellency the Ambassador at Paris.

I mean to propose that the question of postage should be left open until I reach Paris to settle it, if such be your wish, with the Directors of the French posts, who will probably, under existing circumstances, be disposed to make the payment moderate, in order to have other mails which might pass in sealed bags, if such were the agreement, and a very moderate sum fixed for the general weight, instead of the separate and heavy charges now existing, which almost exclude us from using the French packets, unless where it is urgently necessary, as in the present instance.

I may meet difficulties with the authorities here, and most likely it will not be practicable to write the result until to-morrow; but, in any case, the letters shall be despatched if at all feasible; and I presume that they must bear the full postage on reaching London, whatever may be their fate going through France.

The Secretary to the Post Office,
London.

I have, &c.
(signed) *F. R. Chesney.*

Monsieur,

Paris, le 10 Juillet 1837.

LE Directeur des Postes de Marseilles m'informe, par une lettre en date du 7 de ce mois, arrivée aujourd'hui à Paris, que le Lazaretto de Marseilles lui a remis le jour même et en même temps que les correspondances apportées par le paquebot le “Dante,” venant de Constantinople, 3,000 lettres environ, originaires des Indes Orientales, qui paroissent avoir été prises par le paquebot susdit à Malte, où elles avaient été apportées par un particulier, qui les a convoyées jusqu'à Marseilles.

A Marseilles M. le Vice-Consul de S. M. Britannique étant informé de l'envoi direct de ces lettres par l'Intendance Sanitaire au Bureau de Poste, conformément aux lois du pays, en a fait demander la remise qui a dû lui être refusée.

En vous transmettant aujourd'hui ces lettres livrées par mon office au prix convenu de neuf francs par 30 grammes, je m'empresse de vous donner connaissance des circonstances qui ont amené l'administration à se trouver en possession de ces lettres.

M. Maberly,
Secrétaire de l'Office Général des Postes.

J'ai, &c.
(signé) *Conte.*

Sir,

Lazaretto, Marseilles, 6 July 1837.

We landed too late yesterday afternoon to have the letters fumigated, but this operation has been gone through to-day, and they will be sent by this night's mail.

693.

B 4

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The arrangements in connexion with the different lines of steamers seem to make it impossible to send even despatches by an officer or special messenger. I have demanded the latter to be given up to the British Consul; but it is probable that even this will be refused, and if so, the packets will go on by the ordinary mail, but, as I presume, free of expense, being public.

I have, &c.
(signed) *F. R. Chesney.*

The Secretary to the Post Office.

Monsieur, Paris, le 11 Juillet 1837.
Je viens de recevoir aujourd'hui du Directeur des Postes de Marseille une nouvelle dépêche, que je m'empresse de vous faire parvenir, qui contenait des lettres apportées à Marseille par le paquebot le "Dante." Ces lettres, qui ont probablement la même origine que celles dont j'ai eu l'honneur de vous annoncer hier l'envoi, ont été retenues à l'Intendance Sanitaire de Marseille, pour les opérations relatives à leur purification, et n'ont pu conséquemment être comprises dans le premier envoi que j'ai eu l'honneur de vous faire.

Au surplus, je m'empresse de vous transmettre copie de la lettre que m'adressée à ce sujet le Directeur des Postes à Marseille, qui rétablit certains faits erronés dont ma lettre d'hier faisait mention.

Lieutenant-Colonel Maberly,
&c. &c. &c. Agréez, &c.
(signé) *Conte.*

COPIE de la LETTRE adressée à M. le Directeur de l'Administration par le Directeur du Bureau de Marseille, le 7 Juillet courant.

M. le Directeur,

J'AI fait partir ce matin par le courrier six dépêches, composées des lettres qui m'ont été versées hier par l'Intendance Sanitaire, comme provenant de notre paquebot le "Dante," et je les ai fait adressées directement sous votre couvert, ainsi que j'ai eu l'honneur de vous en informer, en raison de l'incident élevé par M. Richardson, Vice-Consul Anglais en ce port, qui les redemandait pour être par lui adressées à M. l'Ambassadeur Anglais à Paris.

Dans la journée, M. Richardson, a pris soin de m'expliquer que, loin d'avoir voulu retirer la totalité des dépêches, sa réclamation n'avait trait qu'à une trentaine de plis adressés aux ministères et administration à Londres, et dont M. Chesney se déclarait porteur, comme courrier extraordinaire chargé de les faire transmettre directement à M. l'Ambassadeur Anglais par l'entremise du Consul de sa nation.

Mais la connaissance que j'ai donnée à M. Richardson de la manière dont avait été expédiée toute cette correspondance l'a fort satisfait, et il a seulement insisté pour l'avenir sur le maintien de ce principe, qu'un courrier extraordinaire ne peut être déposé de ses dépêches, ce qui seroit juste, sauf les abus qu'on pourrait en faire.

Aujourd'hui seulement on a achevé au Lazaret la purification des dépêches apportées par M. Chesney à bord du "Dante," et elles m'ont été versées dans l'après-midi, ce sont toutes lettres de commerce qui m'ont aucun rapport avec celles qui avaient été réclamées par le Consul, et j'en fais former dépêches simples avec étiquette pour l'étranger, comme de coutume.

Je suis avec, &c.
(signé) *Desmarures.*

MEMORANDUM on Colonel *Maberly's* Letter, of 18th July 1837, respecting the Indian Despatches.

LORD PALMERSTON desires that the Post Office should be made acquainted with the arrangements which have been made for bringing home the Indian mail through France.

The

The Foreign Office has never been apprised what those arrangements may be, but, on the contrary, has every reason to suppose that the India Board have made no arrangements whatever for the return mail. The only arrangement of which the Foreign Office is apprised is that for sending, on the 5th of every month, a Queen's messenger to Malta, with the despatches from the Board of Control, the messenger being instructed, on his arrival at Malta, to deliver over his bags to the Governor, and wait his orders as to his return.

This, it must be admitted, is a most unsatisfactory state of things, and it is to be regretted, that before the new plan for conveying the Indian correspondence was put into execution, all the embarrassments which must now arise from the want of previous concert and arrangement had not been fairly considered with a view to their being obviated.

Nothing, indeed, is more easy or more simple than to convey the outward mail to Alexandria, on the supposition that the Queen's messenger from England is sure to arrive at Malta as soon as the steam-vessel from England of the 1st of each month. The embarrassment arises with respect to the return from Alexandria. Of course it will not do to entrust the despatches of the Indian Government to the French steamer alone, but there must always be some one on board to take charge of them. Now, if the mail from India arrives in Alexandria before the British packet leaves for Malta, there will be no occasion for any person to take charge of the despatches between those two places; but if the French steamer is ever to be resorted to, there must be always at Alexandria a trustworthy person who can take charge of the despatches to Marseilles; for Marseilles would then be the most certain and direct route. But that person, on his arrival at Marseilles, will have a quarantine of 20 days at the least to perform, and therefore must, at Marseilles, deliver over his despatches, to be conveyed to England, to another person, who shall be in waiting at Marseilles; but the person arriving at Marseilles from Alexandria cannot ever return to Alexandria until he has performed his quarantine at Marseilles, as he would otherwise put the packet in quarantine during the whole length of its voyage from Marseilles to Alexandria.

It is also to be observed, that supposing the despatches are brought in a British steamer to Malta from Alexandria, and sent on from Malta to Marseilles in a French steamer, under charge of a messenger or other person, still that messenger must, on his arrival at Marseilles, perform his plague quarantine, as he will have been conveyed to Marseilles in a vessel subject to that detention.

All these things require to be provided against, and not only these, but the further contingency of the messenger from England arriving at Malta after the departure of the British steamer to Alexandria, in which case the despatches, of which he is the bearer, must be forwarded to Alexandria in the first French steamer, and under charge of a trustworthy person.

Under all these circumstances, and considering that the more simple an arrangement is, the less likely it is to fail, there seems no better alternative than to provide that the person who takes the despatches from Marseilles to Malta should continue in charge of them, by whatever vessel they may be conveyed to Alexandria, and wait at Alexandria to bring back to Marseilles the next India despatches. Those despatches, on his arrival at Marseilles, he should deliver to the person in waiting to receive them, and then perform his quarantine.

Now, if this service is to be performed by Queen's messengers, it will require three, if not four, of them, to perform it in a satisfactory manner; for instance, the messenger will leave London on the 5th of August, will arrive at Marseilles on the 11th of August, and at Alexandria certainly not before the 24th of August, where, if the Indian return mail is ready for him, he will stay two days, and, embarking on board the steamer which brought him to Alexandria, reach Marseilles, at the earliest, on the 9th of September, where he will deliver up his despatches, and perform a quarantine of 20 days. On the 29th of September, therefore, he will be ready to return to London; but he must wait 10 days longer for the arrival of the next despatches, so that he will not leave Marseilles for England until the 9th of October, or arrive in England until the 14th of October. The messenger will thus be absent from England 70 days, under the most favourable circumstances, supposing that he finds at Alexandria the Indian mail waiting for him, and that he has therefore only occasion to wait in Alexandria two days for the return of the packet; but if the Indian mail is not ready to go back at the end of two days, the messenger must wait at least 10 days more at Alexandria for the next packet, and may have to wait 20.

But, on this calculation, made upon the estimate of the passage between Marseilles and Alexandria only occupying 13* days, instead of 19, which, as far as can be made out from the French packet list, will be the average duration of the passage: three Queen's messengers, if not four, must be devoted to this service, in order to insure its being regularly and efficiently performed. But the establishment of Queen's messengers is hardly sufficient for the demands of the Foreign Office alone, and is wholly inadequate to meet this increased demand. If, therefore, so many Queen's messengers are devoted to this service, the case will perpetually arise, where the services of extra messengers must be engaged for the Foreign Office; but it would surely be much better to reserve for the use of the Foreign Office individuals who are accustomed to travel on the Continent, and to allow the service between Marseilles and Alexandria, which does not require either intelligence or activity, to be performed by persons hired exclusively for that purpose. Three persons of this sort would be quite, if not more than sufficient for this service; and it is suggested that the following should be the regulations under which the service should be performed.

A Queen's messenger should leave London on the 5th of every month, who could arrive at Marseilles on the 11th, and give over his despatches to the extra messenger, to convey to Alexandria. If the estimate for the outward and homeward voyage, above made, be correct, the extra messenger might, perhaps, reach Marseilles on his return, after an absence of 28 days, although such a speedy return can hardly be reckoned upon. At Marseilles he would find a Queen's messenger in waiting, to whom he would deliver his despatches. But as this extra messenger would have 20 days' quarantine to perform before he could take his departure for Alexandria, he could only be reckoned upon as available on the 11th of every alternate month; but it is apprehended that in practice it would be found that he would only be available on the 11th of every third month; hence the necessity of having three extra messengers for the sea service.

The journey through France should always be performed by Queen's messengers, one of whom should always be in waiting at Marseilles at the time when the Indian despatches are expected to arrive, and it is not improbable, if the system works regularly, that the Queen's messenger who leaves London on the 5th of each month, will suffice to bring back the Indian despatches, but this, of course, cannot now be reckoned upon with certainty, as the date of the arrival at Marseilles from India cannot yet be accurately calculated. It is, therefore, recommended that a letter should be written to the India Board, acquainting them with the manner in which, in the opinion of this office, the service should be provided for, and recommending them to appoint trustworthy persons at Marseilles to be employed in rotation. These persons should have a fixed salary, which should be sufficient to cover all their personal expenses, and to remunerate their services; and should be allowed to charge in addition nothing more than the actual expenses incurred by them for their passage between Marseilles and Alexandria, and their expenses of lodging, though not of board, in the quarantine at Marseilles: an allowance of 200*l.* a year seems to be a fair amount of remuneration.

This allowance is less than is paid to an extra courier, now employed by the Foreign Office in Wallachia, whose salary, indeed, is only 150*l.* a year, but who is allowed to make certain other charges, by which the yearly value of his situation is made to exceed 300*l.* a year.

It is needless almost to observe, that as the extra messengers between Marseilles and Alexandria would be provided with courier passports, the despatches would be as safe in their custody as in that of a Queen's messenger.

The instructions for these extra messengers would direct them to proceed to Alexandria, and to wait there until despatched by the agent of the East India Company. If ordered by him to embark, not in the French, but in the British steamer, for Malta, they should, on their arrival at Malta, be instructed to hold their despatches at the disposal of the Governor of Malta, but to proceed, at all events, with or without their despatches, to Marseilles, by the first French steam-vessel, and, on arriving at Marseilles, to perform their quarantine, so as to be in readiness to return to Alexandria with the first despatches from England.

It is said that if the extra messengers arrive at Malta in a British steam-vessel from Alexandria, they should hold their despatches at the disposal of the Governor, because

* *N B.* — Upon again examining the list, it would seem that the passage to Alexandria from Marseilles is made in 13 days, and the passage from Alexandria to Marseilles in 19 days, the average, therefore, of the outward and homeward passages will be 16 days.

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because it is a question which the India Board must consider, whether, in the event of the British steamer, with the Indian despatches, arriving at Malta nine days, or even six days, before the next French steam-vessel may start from Malta to Marseilles, the Governor of Malta should be instructed to send on the Indian despatches by the Malta steamer to England, or detain them at Malta until the departure for Marseilles of the next French steamer. Cases may occur in which the packet to England would seem to offer the most speedy conveyance; for if the French steamer should not leave Malta for Marseilles until nine days after the departure of the Malta packet for England, letters kept at Malta for the French steam-vessel would not reach England within much less than 21 days; for the time between Malta and Marseilles is about six days, and between Marseilles and London not much less on an average; but letters arrive in London from Malta by the English packet sometimes in 17 days.

It is to be observed, in conclusion, that the Foreign Office has no interest in this arrangement as a department; the correspondence with Alexandria is not such as to call for any additional expense on the part of the Foreign Office. To meet the views of the India Board, the service between Marseilles and London can be performed by Queen's messengers, though it is submitted it ought to be paid by the India Board, or the East India Company; but for the service between Marseilles and Alexandria arrangements ought to be made by the India Board, and the suggestions made in this memorandum may, perhaps, be found worthy of some attention.

There remains one more point, for which the India Board must provide, by instructions to the Agent of the Company in Egypt, in the first instance, and, hereafter, by instructions to their authorities in India. The messenger can only have charge, on board the French packet, of *bond fide* Government despatches. The agent in Egypt must, therefore, be instructed to select those despatches from the general mass of the Indian letters, and put them in a separate bag, addressed to Her Majesty's Principal Secretary of State for Foreign Affairs. This bag will be carried by the messenger to Marseilles, where it will be cut open, and its contents fumigated, and the despatches will, after fumigation, be given over to the Queen's messenger in waiting, who will be directed to be always present while the letters are fumigated, in the same manner as is the practice of messengers on the Turkish and Austrian Frontiers. To obviate the necessity of the agent in Egypt having to make this selection, the authorities in India should be instructed to put their despatches up in packets distinct from the mass of letters, which should be addressed to the agent in Egypt; and when this practice is adopted by the authorities in India, the agent in Egypt will have no further occasion to look through the general mail.

If the suggestions of this memorandum be adopted, the result will be—

That the Foreign Office will provide for the conveyance through France, by Queen's messengers, though at the expense of the India Board, of the Indian despatches.

That the India Board will provide proper persons to take charge of the despatches between Marseilles and Alexandria.

That the India Board will also provide, by instructions to their authorities in India, and to their agent in Egypt, that the despatches shall be put separately from the rest of the Indian correspondence, and will, lastly, furnish the Governor of Malta with contingent instructions as to what shall be done with the despatches on their arrival at Malta from Alexandria, in the event of the British packet offering the prospect of the more speedy conveyance of them to England than the French packet to Marseilles.

Of course it will not be necessary that all the extra messengers should go to Marseilles immediately: it will do if one is sent with the Queen's messenger each month until the appointed number is complete; some saving of expense will thus be effected.

With reference to the suggestion, that the messenger from London should be despatched on the 5th of the month, instead of the 6th, it is to be observed, that it is almost, if not quite impossible, for a messenger despatched from London on the 6th of the month, to reach Marseilles in time for the departure of the packet, unless he is allowed to incur the expense of extra horses, to enable him to travel as quick as the French mail, which would increase the charge of the journey at

The expense of a Queen's messenger's journey from London to Marseilles and back is 140*l.*; twelve journeys, therefore, will form a charge of 1,680*l.* a year. The expense of a passage from Marseilles to Egypt and back is about 50*l.*; twelve passages will, therefore, be a charge of 600*l.* Salary or allowance of 200*l.* to three extra messengers, will be 600*l.* more, to which should be added a sum of 300*l.* to provide for contingencies; making a total expense of about 3,500*l.* a year.

least one-half. A messenger can hardly be expected to get out of Calais before noon of the 7th of the month, if he starts from London on the 6th, as he must take the time of the packet from Dover, and he will then have only 100 hours to perform 133 French posts; and it must not be left out of view, that in a journey of that length, through the bad roads of France, the messenger may meet with some accident on the road, which may cause him some hours' detention. For these reasons, it is considered that the messenger ought to be despatched on the 5th of the month.

Foreign Office, 27 July 1837.

To M. Conte (Copy).
Marseilles, 5 July.

To M. Conte
(original).
Marseilles, 10 July.

Colonel Chesney to
Earl Granville.
Marseilles, 11 July.

Sir,

Paris, 17 July 1837.

THE enclosed letters were forwarded to me by Colonel Chesney, who has lately arrived from India at Marseilles, accompanied by one, of which I enclose a copy. As I have not received any instructions respecting the negociation carrying on between the English and French Post Offices for the transmission of the correspondence to and from the East Indies to England, through France, I have conceived the more proper course would be to forward Colonel Chesney's letters for the consideration of Viscount Palmerston, especially as Colonel Chesney has, as you will perceive from his letter to me, requested this correspondence might be submitted to the President of the Board of Control.

I have, &c.

J. Backhouse, Esq.
&c. &c. &c.

(signed) Granville.

Le "Dante," à Marseilles,
5^{me} de Juillet 1837.

Monsieur,

J'AI l'honneur de vous prévenir que je viens d'arriver ici de l'Inde, chargé de dépêches de beaucoup d'importance pour notre Gouvernement; et portant aussi un paquet de lettres des particuliers, avec lesquelles j'ai traversé tout le Grand Désert de l'Arabie depuis le Golfe Persan jusqu'à Damas.

Au moment de notre départ de Malte, on attendoit à chaque instant le bâtiment Anglais qui fait le service d'Alexandrie à Falmouth; mais je me suis empressé de venir ici dans le votre, dans l'espérance d'abord de gagner du tems, et encore dans la croyance que les arrangemens que vous devez faire à mon égard seroient les plus libéraux et bienséans que doivent être montrés envers notre Gouvernement dans les circonstances actuelles.

J'ai prié Monsieur le Directeur des Postes ici d'avoir la bonté d'envoyer quelqu'un pour fumer tous mes paquets (devant moi), et alors je dois les expédier dans un sac cacheté, par un courier exprès jusqu'à l'hôtel de son Excellence Lord Granville; mais afin qu'il n'y ait pas de perte pour l'administration des postes, on notera le poids du paquet, et je donnerai ici, soit par notre Consul, soit par une maison de commerce autant d'argent qu'il seroit nécessaire comme gage de paiement que je me propose de faire à Paris avec votre consentement, et après avoir reçu des réponses de l'Angleterre, pour lesquelles la quarantaine cause assez de retard. Mais mon premier bût est d'envoyer mes paquets avec toute la vitesse possible à Londres, ce qui est d'autant plus nécessaire que nous sommes déjà en retard de quatre jours dans un beau bâtiment qui marche assez mal.

Il me paroît qu'avec un bateau à vapeur touchant à Beirout, et d'autres legers changemens (que je peux vous indiquer à Paris, si vous le desirez) qu'il y auroit un grand avantage mutuel, si les deux nations s'entendaient parfaitement sur le transport des lettres surtout entre l'Inde et l'Angleterre par la France.

Mais parmi d'autres choses, il y a trois cas supposés qui doivent être décidés comme préliminaires

1^{ment}. Le cas le plus ordinaire des malles pour tout le monde, passant à l'Inde, et le contraire, par la poste ordinaire. Et s'il n'y a pas un prix plus modique pour ces lettres, il est clair qu'on les remettra à nos bâtimens, ou à ceux des compagnies qui augmentent en nombre et qui étendent leurs relations tous les jours.

2^{ment}. Le cas, de tems en tems, et assez rare cependant, où leur officier seroit envoyé (comme moi) spécialement avec des dépêches, et qui traverse assez librement tous les pays du monde.

3^{ment}.

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3^{meut}. Le cas, qui est le mien aussi, d'être envoyé spécialement avec des dépêches, mais portant aussi, parceque c'étoit le même bateau à vapeur (le "Hugh Lindsay") les lettres de la poste.

En décidant sur ma position actuelle, le dernier article sera compris, et je suis prêt à faire mon possible pour satisfaire à vos réglemens de poste; car je crois que vous serez de mon avis, que les intérêts seroient plus avancés par un arrangement aussi modique que possible, afin qu'il soit avantageux d'envoyer nos paquets par vos bâtimens à vapeur, au lieu d'augmenter les nôtres, et l'affaire d'aujourd'hui doit le décider en quelque sorte; le moment actuel me paroît bien favorable en tous égards. On doit les prévenir dans l'Inde de vos sentimens, et de ceux de notre Gouvernement, afin d'être en relation à ce sujet aussitôt que possible. J'aurai l'honneur de vous voir à Paris avec l'approbation de mon Gouvernement, si cela vous est agréable.

J'ai l'honneur, &c.

A Monsieur Conte,
&c. &c. &c.

(signé) F. R. Chesney.

Directeur-général des Postes à Paris.

Sir,

Lazaretto, Marseilles, 10 July 1837.

It is rather with the desire of making you acquainted with what has occurred in the case of the Indian mails and Government despatches, than to make a formal complaint, that I do myself the honour of addressing you.

I was detained five days at Syria waiting for the "Dante," part of the time on a bare rock, called the Lazaretto, where there was not even the accommodation of a room; but this very serious delay at such a moment may be considered an accident which can be effectually remedied in the sequel, and so may the other defects which I am about to notice.

"Le Dante" came in here about 5 A.M. of the 5th; but, instead of bringing the passengers close to the Lazaretto, she took us into the anchorage of Dieu Donné, seven or eight miles distant, where we spent nine hours before a boat came from the town (at our expense) to take us to the Lazaretto.

By the pilot-boat I had already sent a message very early in the morning to the Consul to meet me as soon as possible about the despatches, and I would have gone on shore to the Santé for this purpose (where he actually had arrived) in the first boat with the commandant, had he not made difficulties, alleging that there was not room, although he took another passenger. Between this circumstance and the very unreasonable delay at Dieu Donné, it was 5 P.M. before I had an opportunity of communicating with the Consul at the Lazaretto, when I urged the necessity of despatching a courier by midnight, if possible, taking the weight of the packet agreeably to my letter to you of that day's date; but, on reference to the captain of the Lazaretto, I found that the fumigation could not take place until the morning, when I hoped that the whole might be sent off without a moment's delay.

Accordingly the fumigation commenced in my presence very early on the 6th, and at 9 o'clock the Consul came to tell me that he feared it would be impossible to send off a courier, as I proposed, because the letters, and even the despatches, must go from the Santé to the Post Office without being delivered to him, which was, in fact, the answer to his verbal application at the Santé.

I thought this rather extraordinary under the existing circumstances of an officer arriving specially charged with despatches, and I instructed the Consul to make a formal demand (to the Post Office) that the despatches should be delivered up, and at the same time that my explanatory letter should be forwarded to you by the director of posts at this place.

But he did not return an answer before the following morning, having been, as I understood, in the country, and in that reply he states that there was nothing by which he could distinguish the letters from the despatches.

The whole number of both amounted to 3,463, and they were sent from hence to the Santé at two different times; the first, between 11 and 12 o'clock, consisted of 144 letters apart for France, about 1,143 letters for England (in a basket) and 31 despatches in a separate parcel, which I saw them send off in that way, accompanied by a note from myself, requesting they might be delivered to the British Consul, in order to be forwarded by him to Her Majesty's Government.

The remainder of the letters, and 22 separate despatches (in a bundle), were sent off about 5½ p. m., with a list of the despatches, and a request in writing that they should be delivered to the Consul for transmission to Government, and also that the allowance of two sous per letter, or whatever it may be for the bringer of ship-letters, should be deducted from the postage, to be charged on each letter.

I believe, however, that instead of attending to my wishes, the letters and despatches were forwarded to Paris, mixed together, without my letter of explanation to you, which did not go until the following post.

I have now stated the facts faithfully for your information, and that of my own Government, and it remains to be seen whether the latter will consider that I have received that degree of furtherance which the circumstances should have called forth, and also whether the delay and difficulty are calculated to make us anxious for this line of communication; for, be it remembered, the "Dante" arrived at 5 a. m. on the 5th, and the letters were only forwarded at 5 a. m. on the 7th.

A Monsieur Conte,
&c. &c. &c.
Directeur-général des Postes à Paris.

I have, &c.
(signed) F. R. Chesney.

My Lord,

Marseilles, Lazaretto, 11 July 1837.

Copies
to M Conte
iv to ditto,
iginal.

BEING quite ignorant whether the post arrangements, which have been or are under consideration between our Government and that of France, pass through Y. E., I trust allowances will be made if I am wrong in placing the two enclosures before your Lordship; that dated the 5th being already gone, is for consideration, and the other, of the 10th, to be forwarded to M. Conte, either direct or from London, as may seem best. I have been always immediately under the President of the Board of Control, and I have no doubt that Sir J. Hobhouse would do whatever is right, either by himself, or through the General Post Office; but time will, of course, be gained if the question is entered into in Paris. I left Bombay the night of 28th April, with despatches of great importance; and knowing that they were so, I used every possible exertion throughout the distance of 950 miles of desert between the Persian Gulf and Damascus, which was traversed in 17 days, but accomplished too late (owing to a recent change in the steam arrangements) to meet the packet at Beyrout; therefore I proceeded to Alexandria, and joined the French steamer there, after ten days of calms and contrary winds.

At Malta (owing to the absence of the fleet, on account of the cholera), there was no steamer disposable; therefore Sir Henry Bouverie recommended me to come on in the "Dante," and when arrived at this port to cause all the packets to be fumigated in my presence, and then forwarded to Y. L. by an estafette from the Consul, who was also, if possible, to send a message by telegraph to announce that they were on the way.

The letter of yesterday's date gives a faint idea of the exertions I made to get the whole, or the despatches at least, sent by a special courier, under the impression that they were not quite of a nature to pass through the ordinary Post Office, although I believe it is quite safe; and there was still another object to be gained by the special courier, viz., ascertaining whether the general charges would be modified. I had hoped to leave it an open question until I reached Paris, and that after receiving instructions from England; for it seems to me that a bag of 3,463 letters from India should be allowed to pass through this kingdom under very different circumstances from those of collected letters from different places, on a limited scale, comparatively; for instance, the post-agent lately established by the French at Malta might examine a bag of fumigated letters before it was sealed, and his being attached also, the packet should then go through without delay or interruption of speed, bearing some modified charge on the whole weight, and unless there is to be some such liberal arrangement as this, I doubt very much whether we should encourage this line too much, with the French steamers plying; had we our own twice a month to Malta it would be a very different case.

The postmaster here gave as a reason for not delivering up the despatches to the Consul, that they could not distinguish them; and forgetting that he had so
said,

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said, he subsequently states that the despatches were forwarded to M. Conte apart; if the latter be true, the former cannot well be so. Indeed, I need scarcely observe, that everything here had the appearance of management to get possession of the letters; and I could not even ascertain whether the despatches were restored until too late to write to Y. E. that post.

There was exceeding anxiety in India about the mail, and its speedy transit, which, at such a serious moment for the cotton trade, decided me to bring it here, instead of leaving it in Malta for the Falmouth packet, which would have caused a delay of from nine to twelve days. I shall esteem it a great kindness if Y. E. is so good as to send copies of these papers to the President of the Board of Control.

I have, &c.

To His Excellency Earl Granville.

(signed) *F. R. Chesney.*

Sir,

East India House, 31 July 1837.

WE have the honour to acknowledge the receipt of your letter, dated the 24th instant, which we laid before the Court of Directors at the earliest opportunity; and we are requested by the Court to state, in reply, that a monthly communication with India having been established, upon condition that the whole of the expenses on this side Egypt shall be defrayed by Her Majesty's Government, and the Court being of opinion that the advantages which might result from the adoption of the proposed plan for the conveyance of the Company's despatches between this country and Egypt, by way of Marseilles, are not commensurate with the expense which it would entail, they cannot consent to the revenues of India being subjected to any charge on this account.

We have, &c.

(signed) *J. R. Carnac.*

The Right hon. Sir John Hobhouse, Bart.

J. L. Lushington.

The enclosures in your letter are herewith returned.

Sir,

East India House, 23 February 1838.

ADVERTING to the arrangement agreed upon between the Lords Commissioners of Her Majesty's Treasury and the East India Company for the conveyance of mails monthly from Egypt to Bombay, by steam-vessels, I have the commands of the Court of Directors to transmit you; for the information of their Lordships, the accompanying statement of payments made in England by the Company to the 1st December 1837, in providing suitable vessels and stores for this service; and to request their Lordships will be pleased to give the necessary directions, in view to the sum of 64,490*l.* 16*s.* 4*d.*, the moiety of the amount expended, being reimbursed to the East India Company.

I am, &c.

To A. Y. Spearman, Esq., &c.
Treasury.

(signed) *James C. Melvill,*
Secretary.

Sir,

East India House, 24 August 1838.

REFERRING to the letter which, by command of the Court of Directors of the East India Company, I addressed to you on the 23d February last, transmitting a statement of the payments made in England by the Company to the 1st December 1837, in providing suitable steam-vessels and stores for the steam communication with India, I am directed to request that the Lords Commissioners of Her Majesty's Treasury will be pleased to issue directions for the sum of 64,490*l.* 16*s.* 4*d.*, the moiety of the amount of expenditure exhibited in that statement, being reimbursed to the East India Company.

I have, &c.

(signed) *James C. Melvill,*

A. Y. Spearman, Esq., &c.
Treasury.

Secretary.

Gentlemen,

Treasury Chambers, October 1838.

I AM commanded by the Lords Commissioners of Her Majesty's Treasury to acquaint you, that they have given directions to the Paymaster of Civil Services to pay to you the sum of Sixty-four thousand four hundred and ninety pounds sixteen shillings and four-pence, as requested in your letter of the 24th August last, being the moiety of the amount of expenditure exhibited in the statement transmitted by you on the 28th February last, of the payments made in England by the East India Company to the 1st December 1837, in providing suitable steam communication with India.

I am to state to you that, with respect to the future expenditure, my Lords are of opinion that it would be of advantage if the contribution of Government were fixed at some specific sum; that, by the present arrangement, my Lords apprehend that this Board will in future require some more detailed account; and as the sum which Parliament may be called upon to vote will depend upon the manner in which the expenditure is controlled, this Board may be required to check the details of the expense, as they will be responsible to The House of Commons for the propriety of the amount of the vote. My Lords would unwillingly interfere in the arrangement which the East India Company may consider it advisable to make for the effectual continuation of the service, and which must depend, in some measure, on the practice which prevails with their servants. My Lords also apprehend that it might be difficult accurately to distinguish in respect to some of the heads of expense what part may properly belong to the particular service, and what to the general service of the Company.

Upon a full consideration of these circumstances, my Lords are of opinion that the arrangement suggested by them will be more satisfactory to Parliament, as well as to this Board, and my Lords trust that the East India Company will deem such proposal not less expedient so far as regards the interests and convenience of the Company.

My Lords would request to be favoured with the opinion of the East India Company as to the principle of the proposal. Should they concur with my Lords in the principle, this Board will be prepared to consider, in communication with them, what sum it may be just to fix as the future contribution of the Government.

I have, &c.

(signed) *A. Y. Spearman.*

The Chairman and Deputy Chairman
of the East India Company.

Sir,

East India House, 9 November 1838.

THE Court of Directors of the East India Company having had under consideration your letter of the ——— October, I am commanded to state, in reply, for the information of the Lords Commissioners of Her Majesty's Treasury, that the Court, whilst they would offer no objection to fixing, by average, the moiety of the expense of the steam communication with India chargeable to Her Majesty's Government, are doubtful whether there be at present materials for ascertaining, satisfactorily to either party, the amount to be so fixed.

If, however, their Lordships think otherwise, the Court will be ready to consider any specific proposal that may be made to them based upon the principle suggested in your letter.

I am, &c.

Alexander Y. Spearman, Esq.,
&c. &c. &c.

(signed) *J. C. Melvill,*
Secretary

Gentlemen,

Treasury Chambers, 6 February 1839.

HAVING laid before the Lords Commissioners of Her Majesty's Treasury your Secretary's letter, relative to fixing the amount of the expense of the steam communication with India, chargeable to Her Majesty's Government, I have it in command to acquaint you, that, admitting the justice of your observation, that there are not sufficient materials upon which to calculate accurately the moiety of the expense proposed to be defrayed from the revenues of this country, my Lords, upon the grounds stated in their former communication, consider it would be advisable

19 Nov. last

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advisable to settle the contribution to be voted by Parliament at some fixed annual sum.

The communications, when the Government first assented to the proposed arrangement, lead my Lords to suppose that an annual payment of 50,000*l.* would cover any claim which, under that arrangement, would be made upon them. My Lords are aware that, at the first commencement, the moiety of the expense has exceeded that sum, from the cost of the first arrangements, which would, of course, not occur in future years.

They would not, however, object to an agreement by which the contribution of this Government should be calculated at the rate of 50,000*l.* per annum, such contribution to be calculated from the commencement of the service; and if the Court of Directors are willing to accede to the principle of such an arrangement, my Lords will be prepared to direct the estimate to be submitted to Parliament, in conformity with such arrangements as may be finally settled.

I am, &c.

The Chairman and Deputy Chairman
of the East India Company. (signed) *F. T. Baring.*

Sir,

East India House, 20 March 1839.

THE Court of Directors of the East India Company having considered the alteration made by the Board of Commissioners for the Affairs of India, in the draft of the proposed reply to Mr. Baring's letter of the 6th instant, I am commanded to state, that the Court are very desirous, in order to prevent any misconception hereafter with respect to the arrangement which has been suggested by the Lords Commissioners of Her Majesty's Treasury, that their understanding of the extent to which their acceptance of the sum offered by Her Majesty's Government would bind the East India Company should be clearly defined; and they therefore trust that the Board will sanction the transmission of the letter to Mr. Baring, as proposed by the Court.

I have, &c.

R. Gordon, Esq., M. P.
&c. &c. (signed) *James C. Melvill,*
Secretary.

Sir,

India Board, 23 April 1839.

I AM directed by the Commissioners for the Affairs of India to acknowledge the receipt of your letter of the 20th ultimo, objecting to the Board's alteration in the proposed letter to the Treasury, fixing the amount to be borne by the public for steam communication with India, and I am desired to state, that the Board do not wish to insist further upon the omission of the latter part of the letter in question.

I am, &c.

J. C. Melvill, Esq. (signed) *R. Gordon.*

Sir,

East India House, 24 April 1839.

HAVING submitted to the Court of Directors of the East India Company your letter of the 6th February, proposing, on the part of the Lords Commissioners of Her Majesty's Treasury, that the contribution of Her Majesty's Government towards the expenses of maintaining the communication with India by steam, now divided equally between the Crown and the East India Company, should be fixed at the annual sum of 50,000*l.*, to be calculated from the commencement of the service, I am commanded to state that, after mature consideration of the subject, the Court will not object to meet the wish expressed by their Lordships, upon the clear understanding, however, that the arrangement proposed is to have reference only to the steam communication as at present limited between Bombay and Suez.

I have, &c.

F. T. Baring, Esq., M. P.
&c. &c. Treasury. (signed) *James C. Melvill,*
Secretary.

Sir, Treasury Chambers, 7 May 1839.

HAVING laid before the Lords Commissioners of Her Majesty's Treasury your Secretary's letter, dated 24th ult., stating that the Court of Directors of the East India Company will not object to meet the wish expressed by their Lordships in the letter of this Board of the 6th February last, that the contribution of Her Majesty's Government towards the expenses of maintaining the communication with India by steam, now divided equally between the Crown and the East India Company, should be fixed at the annual sum of 50,000*l.*, to be calculated from the commencement of the service, upon the clear understanding that the arrangement proposed is to have reference only to the steam communication as at present limited between Bombay and Suez, I have it in command to state to you the concurrence of my Lords in this understanding.

I have, &c.

(signed) *G. I. Pennington.*

To the Chairman and Deputy Chairman
of the East India Company.

Sir, India Board, 2 July 1839.

I AM directed by the Commissioners for the Affairs of India to forward to you, for information of the Court of Directors, the copy of a letter, and enclosures, received from the Secretary to the Treasury, dated this day.

The Board fully concurring in the arrangements for the conveyance of the mails between this country and India suggested in Mr. Baring's letter, I am directed to call your immediate attention to the subject, with the view of all the necessary instructions being forwarded to India by the mail on the 6th instant.

I am, &c.

(signed) *R. Gordon.*

James C. Melvill, Esq.,
&c. &c. &c.

Sir, Treasury Chambers, 2 July 1839.

In transmitting to you, for the information of Her Majesty's Commissioners for the Affairs of India, the enclosed copy of a letter from the Board of Admiralty of the 29th ultimo, submitting a plan for the permanent arrangement of the mail service between this country and India, I am directed by the Lords Commissioners of Her Majesty's Treasury to request that, if the Commissioners concur in the proposed arrangement, directions may be forwarded, with as little delay as possible, to the authorities in India, in order that the arrangement required for the communication between Suez and Bombay may be made in conformity with this proposal. My Lords have at the same time instructed me to add, that it will be necessary, in case, by any unforeseen accident, the homeward-bound mail should arrive at Alexandria after the departure of the English steamers, orders should be issued for forwarding the mail, according to the convention, by the French steamers to Malta.

My Lords will communicate with the Board of Admiralty, and request them to give directions, that in such case every possible facility should be given for forwarding the mail from Malta to Marseilles by a Government steamer; but in case this should not be possible, it will be necessary that the mail should be conveyed on by the French packets.

I am, &c.

(signed) *F. Baring.*

Robert Gordon, Esq.

Sir, Admiralty, 29 June 1839.

WITH reference to my letter of the 21st instant, on the subject of the conveyance through France of the correspondence with India, I am commanded, by the Lords Commissioners of the Admiralty, to acquaint you, for the information of the Lords Commissioners of Her Majesty's Treasury, that my Lords are unable at present, in the absence of any certain intelligence as to the probable days of arrival

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arrival at Alexandria of the Bombay mails, to propose any arrangement for the departure of the steamers during the time which must elapse before a permanent arrangement can be carried into execution; but they lose no time in submitting, for the consideration of the Lords of the Treasury, a plan for the permanent arrangement of the mail service between this country and India, in order that directions may be sent out to the Indian authorities by the next mail, which leaves this country on the 6th July, so that they may be apprised as early as possible of the intended arrangements, and be enabled to take the necessary measures for carrying them into effect on the other side of the Isthmus of Suez. My Lords understand, from your letter of the 28th instant, that it will be most convenient to the merchants, &c., in England, that the mails should be despatched from England once in every calendar month, on the 4th day of the month. This mail, leaving London on the evening of that day, would reach Calais about 11 a. m. on the 5th, and by the convention is to be delivered at Marseilles in four days and six hours, reaching Marseilles, therefore, at five o'clock in the afternoon of the 9th. My Lords propose that a steam-vessel shall be at Marseilles ready to put to sea as soon as the mails are put on board, but that she should wait 48 hours in case the mails have not arrived. As soon as the mails are embarked, or at the expiration of 48 hours, that is, on the evening of the 11th at latest, she will proceed to Malta. Four days are allowed for her passage to Malta. In case the mails are put on board at the proposed time on the 9th, she will reach Malta on the evening of the 13th, and deliver the mails; she will then remain at Malta for the return mails. Before noon of the 14th the steam-vessel for Alexandria, is to leave Malta, and it is calculated will reach Alexandria by noon on the 19th. At Alexandria she will remain four days. It is proposed that orders should be sent to India that the mails should be despatched from Bombay so as to arrive at Suez on the same day, viz. the 19th of the month. It is calculated that four days are required to convey the mails between Alexandria and Suez; each vessel, therefore, by this arrangement, will have four days to clear her boilers and coal, being ready to proceed to sea as soon as the mails which she is to convey are delivered to her. In case the Indian mails should not arrive, the packet is to wait two days in February, four days in April, four days in June, four days in September, four days in November, and five days in the remaining months, at Alexandria, or longer in case a telegraphic communication should have reached Alexandria that the mails have been despatched from Suez across the Desert. On the arrival of the Indian mails at Alexandria, or on the evening of the last day of her stay, as before stated (except as above), in case they have not arrived, she will put to sea, and return to Malta. If the mails arrive as is expected, she will leave Alexandria on the 23d by noon. She may be expected, in the ordinary course, allowing six days for the passage, to reach Malta on the 29th. The mails will be instantly transferred to the steam-vessel lying there, which will immediately proceed to Marseilles. She may be expected to reach Marseilles in five days from Malta, being the 3d, 4th or 6th day of the month, according to the number of days in the preceding month; she will then be in readiness to convey the mails from England of the next month, which will arrive there on the 9th. In the event of having been detained the full time allowed beyond the ordinary stay at Alexandria, she will always have 24 hours at Marseilles to take in her coals, &c. The longest time required has in all cases been allowed, so as to provide against the bad weather of the winter months. In fair weather the passage will probably be shorter. My Lords have to request that you will communicate to the French Government, and the Directors of the East India Company, and the necessary departments of the Government, this proposal, and to signify the wishes of the Lords of the Treasury thereon.

If it should be approved, an order to the effect suggested should be sent out to India by the next mail, and my Lords conceive that it might come into effect in the Autumn, so as to commence with the mail to be despatched from this country on the 4th November.

F. Baring, Esq.
&c. &c. &c.

I am, &c.
(signed) C. Wood.

CORRESPONDENCE between the BOARD of COMMISSIONERS for the Affairs of India and the COURT of DIRECTORS of the EAST INDIA COMPANY, respecting Mr. Curtis's Plan for STEAM COMMUNICATION with India and Ceylon.

Gentlemen, India Board, 28 March 1839.
 FROM the letter I have the honour now to enclose to you, you will perceive that I have been in communication with Mr Curtis, the Chairman of the Committee for promoting the Extension of Steam Navigation with India.

You will also perceive that I propounded to him certain queries which I thought, if satisfactorily replied to, might facilitate any arrangement which might hereafter be come to, should it be found advisable to enter into negotiation with the parties in question.

I have the pleasure of forwarding to you Mr. Curtis's reply, with the request that I may be favoured with any opinion and remarks you may have to make upon it.

My own impression is decidedly in favour of an early arrangement with the proposed Company, taking care to secure the East India Company and the public against the chances of failure, so far as any compact can accomplish that object, and insisting upon such modifications of the scheme as may be suggested by a careful revision of the whole proposal, and by the experience which has been already acquired by the experiment now in progress.

I have, &c.

To the Chairman and Deputy Chairman. (signed) John Hobhouse.

Sir, Bank of England, 25 March 1839.
 THE questions which I understood you to place before me, when I had the honour of an interview with you on the 14th instant, in reference to the letter which I addressed to you on the 21st February, were—

1st. In how short a time the proposed Company which I represent could place steam-vessels on the station direct from England to Alexandria.

2d. In how short a time the said Company could place steam-vessels to commence the packet service at Calcutta; and,

3dly. Whether the Company would forego the Bombay line.

Having employed myself, in conjunction with my colleagues, in collecting the necessary information from ship-builders and engineers of the first eminence, since that interview, I am now prepared to state that the Company could place steam-boats to take up the whole line in England and India in 20 months from the time of receiving the recorded sanction of Her Majesty's Government and the East India Company; and the agreement on the part of both to contribute collectively the sum of 100,000 *l.* annually for the term of 10 years, reserving always to those parties the advantages of the possible diminution of that sum, offered in my letter of the 21st February before referred to.

At the same time, I think it due to the importance of the question to state that, should Her Majesty's Government and the East India Company desire it, the proposed Company would undertake to place steam-boats at a much earlier period, though of smaller dimensions than those contemplated by the Company for the permanent service to carry the mails and passengers, &c, direct from England to Alexandria and back, on receiving an allowance to be agreed upon, as equivalent to the service performed. In respect to this latter proposal, I beg to observe, that the steam-boats in the service of the East India Company do not admit of many passengers being accommodated, and therefore steam-boats of the large size intended to be run between England and Alexandria, when the comprehensive plan is complete, are not required under the present limited arrangements of the East India Company.

It

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It may be well to add, that during the four months of the monsoon few or no passengers will come by the present East India steam-packets to Suez, and that, unless immediate orders are given that the packets shall proceed along the Malabar coast during the monsoon, and come round by the African coast to the Red Sea, no certainty can exist in regard to the time of the arrivals of the packets at Suez.

Referring to the third question, the Company will readily acquiesce in relinquishing the Bombay line, if it should be deemed desirable; but I respectfully submit that the undivided management of the plan carries with it a certainty of success, which the dependence of one party upon the other would probably defeat.

In conclusion, I take the liberty of soliciting the earliest possible determination of the Government upon the subject, as the most favourable season for contracts with ship-builders and engineers is now at hand, and possibly the establishment of steam-boats on the whole line, at an earlier period than that specified, might be thereby accomplished.

I have, &c.

Right honourable Sir J. C. Hobhouse, Bart. -
President of the India Board.

T. A. Curtis.

Sir,

East India House, 5 April 1839.

1. WE have had the honour to receive and to lay before the Court of Directors of the East India Company your letter, dated the 28th ultimo, relative to your communications with Mr. Curtis, the Chairman of the Committee for promoting the Extension of Steam Navigation with India.

2. The Court observe, that the first question proposed by you to Mr. Curtis respects the communication between this country and Alexandria, the existing arrangements for which were framed by and are under the management of Her Majesty's Government, without any participation therein by the East India Company.

3. The Court trust, however, that they may be permitted to remark, that it is almost without exception on this side of Alexandria that the delay attending the transmission of the mails between India and England has arisen. Whether this delay, which is much to be deprecated, and which has occasionally been ascribed to a pending contract between the Postmaster-general and a private Company, would be effectually obviated by a contract with another private Company not yet formed, seems to be very doubtful, as, even supposing that Company to perform to the letter all its engagements, the route *via* Marseilles would, in all probability, be quicker than that *via* Gibraltar, whatever might be the size and power of the vessels employed; and the Court are impressed with a conviction, that any arrangement for the transmission of despatches and letters which left another and a more expeditious route open, would fail of giving satisfaction either to the public or the Government.

4. With respect to the communication between Egypt and India, the Court, however, anxious to be relieved from the business of conveying the mails, could not entertain any proposal for transferring it to a private association, and making to it an annual payment, with a pledge of its continuance for a term of years, unless the East India Company were released by competent authority from all responsibility to the public for the due and regular performance of that duty, and a sufficient guarantee were given, which would enable the East India Company, after the transfer had been made, to acquit themselves of their responsibility, in case of failure, by the association. An indispensable preliminary, therefore, to the Court's acquiescence in any such proposal as that of Mr. Curtis, would be an act of the Legislature recognizing the new association as the only body to be employed in and responsible for the regular transmission of the public mails.

5. In reference to your question to Mr. Curtis, "whether the new Company would forego the Bombay line?" from which the Court presume that you contemplate the continuance of the Bombay line by the East India Company, simultaneously with the operations of the new association in other parts, the Court request us to state, that they could not consent to make any pecuniary grant in aid of the expense of a steam communication with India, without being

relieved from the charge which the East India Company now incurs on that account.

6. In the event of your deeming it to be desirable to communicate further with Mr. Curtis upon this subject, the Court would suggest, as an important inquiry, what course the proposed Company would adopt, if, during the term of their contract, political circumstances should arise to preclude the passage of the mails through Egypt.

We have, &c.
(signed) *J. L. Lushington.*
R. Jenkins.

The Right hon. Sir John Hobhouse, Bart, M. P.
&c. &c.

To the Honourable Court of Directors of the East India Company.

Honourable Sirs,

London, 14 May 1839.

THE daily increasing importance of the vast empire held in possession by your Honourable Company in the East Indies, both as regards the political, social and commercial relations in which it stands to this country, and the necessarily consequent desire on the part of those who are in any way connected with that branch of the British dominions, that the most expeditious mode of communication should be established between Great Britain and her Indian empire, led to a public meeting, which was held at the Jerusalem Coffee-house on the 12th October 1838. The result of that meeting was the appointment of a committee to take into its consideration such plans as might be submitted to it for carrying into effect the proposed object of a direct and regular communication by steam-vessels from Great Britain to the three Presidencies of India and to Ceylon, by way of the Red Sea. After a diligent investigation, the committee made its report to the general meeting which was held at the London Tavern on the 18th January last, when the report was received, and a committee appointed to carry into effect the proposed objects; of that committee (as of the former one appointed by the public meeting of the 12th October 1838), I was named Chairman.

I had the honour of transmitting to the Chairman and Deputy Chairman of your Honourable Court the printed Report adopted by the meeting of the 18th January last, for the information of your Honourable Court; and having, at the desire of the Right honourable the President of the India Board and the Chancellor of the Exchequer, addressed them a letter, pointing out what were conceived to be the defects of the present system of intercommunication with India, and the remedy to make it perfect: I also transmitted a copy of that letter to the Chairman of your Honourable Court: subsequently, in consequence of some questions put verbally to me by the President of the India Board, I addressed another letter to that right honourable gentleman, and a third in reply to a letter from the Chairman and Deputy Chairman to him. In order to bring all these documents under the consideration of your Honourable Court, I transmit, enclosed herewith, copies of my several letters alluded to above, viz., 21st February, 25th March and 13th April.

I think I may be allowed, in entering upon this important subject with your Honourable Court, and in submitting my proposal for its consideration, to disavow any intention whatever, either of impugning the good intentions and efforts of the East India Company, in what has been already done, in the establishment of a communication with India by the shortest and readiest route, or of undervaluing the benefits which the public, as well as the Government, have derived from these meritorious endeavours. I may safely say, that the increasing calls for its more general application have arisen of a sense of the benefits that have accrued, and a consequent conviction of the immense advantages which must flow, both to Great Britain and India, from a constant, regular, safe and rapid interchange of letters and means of conveying packages and passengers by steam-boat to and from all the Presidencies of India, and by a well-organized passage across the Isthmus of Suez. It seems, however, both unreasonable, and contrary to all experience, that the East India Company, deprived entirely of its commercial character, and limited to the functions of an administrative Government, can undertake that

extension

extension of the system which is called for by the British and Indian public, and which alone can make it useful as a national object. The vessels employed now, and building for the East India Company, are not sufficient in power to contend against the monsoon, nor sufficiently capacious to afford accommodation to the numerous passengers who desire to travel by the short route. The confinement also of the communication to Bombay is a great drawback to the advantages of the Red Sea route, to which the employment of the steam-vessels for political purposes adds a further interruption. These, amongst other considerations, induce the impression on the public mind, that nothing short of a company established for the express purpose of effecting the communication, can succeed as a complete measure.

It is proposed, therefore, to establish a Company with a capital of 1,000,000 £ sterling; and it is my duty to lay before your Honourable Court the following proposal:—

The Company will build a sufficient number of steam-vessels of 2,000 tons and 500 horse-power each, which shall perform the duty of packets from Great Britain to Alexandria, and from Suez to the three Presidencies and Ceylon.

The plan on which it is proposed that this communication shall be carried on is, that on every fourth Saturday a mail shall be despatched from London to the port of departure of the steam-vessel which is to convey the mails, passengers and packages, &c., to Alexandria, and which shall only stop at Gibraltar and Malta, to leave the mails, and take in such letters and passengers as may be ready to be embarked immediately. A steam-boat will be waiting in readiness at Suez to receive and forward the mails, &c., as they arrive from Alexandria, which steam-boat will go the whole distance from Suez to Calcutta, stopping at Aden to deliver the mails, &c., for Bombay, and at Point de Galle and Madras, to leave the mails, &c., for those places. At Aden a steam-boat will be in readiness to receive the mails, &c., and to proceed immediately to Bombay. The return voyage will be made, with similar arrangements, every fourth Saturday from Calcutta, touching at Madras and Point de Galle, for mails, &c., and receiving at Aden the mails, &c., from Bombay. During the four monsoon months, however, the mail from Bombay will be received at Point de Galle, and forwarded to Suez by the Calcutta steam-boat from thence; but the mail for Bombay, from Europe, will always be received at and forwarded from Aden. The time of departure from Bombay will be regulated, so that the steam-boat from thence shall always be in time to meet the steam-boats to and from Suez.

The Company will establish the means of a ready, and, as far as circumstances will permit, a commodious passage across the Isthmus of Suez.

The Company will engage that a steam-vessel shall always be at Suez to receive and forward the mails, &c., the moment they arrive there from Alexandria, and that there shall be also always a steam-vessel at Alexandria to receive and forward the mails, &c., as they arrive from Suez.

The Company will provide accommodation and subsistence for any officer Her Majesty's Government or the East India Company may think fit to send in the steam-vessels, either in charge of the mails, or to report upon the state of the vessels or engines, and the conduct of the officers of the Company in their public duty in respect to the vessel or mails.

In consideration of this extended and regular line of communication being established to the satisfaction of your Honourable Court and Her Majesty's Government, and of the conveyance of the mails free of all charge, the Company are to receive from the Government and East India Company an annual sum of 100,000 £ sterling, for the term of 10 years, in such proportions as may be settled between the Government and the East India Company, as to each other, such payment to commence from the day on which the first steam-vessel shall leave Great Britain on its voyage to Alexandria charged with mails, &c.

In case of any interruption to the conveyance of mails, &c., across the Isthmus of Suez, from political causes, the Company will be ready to undertake the transmission of mails, &c., to the three Presidencies by way of the Cape of Good Hope, on a sufficient allowance being made by the Government and East India Company for the extra expense and risk to which the Company will be exposed.

The Company will engage to reduce the contribution from the Government and East India Company annually by so much as the profits of the Company, after making due allowance for the charge of wear and tear, and a reserve fund for

repairs and renewal of ships, shall exceed 10 per cent. per annum; that is, the annual payment shall always be 100,000 *l.*, and the reduction shall be from the profits of each particular year, returned in proportion to the contribution of the Government and East India Company respectively.

Should your Honourable Court require any further explanations, I shall be most happy to afford them, or to answer any inquiry that may be made in respect to the means of carrying the proposed plan into complete effect.

I have, &c.
(signed) *T. A. Curtis,*
Chairman.

To the Right honourable Sir *John Cam Hobhouse*, Bart., President of the
India Board.

Sir, London, 21 February 1839.

IN reference to the conversation which I had the honour of having with you and the Chancellor of the Exchequer, on the 8th instant, and in compliance with the wish expressed at that interview, that a defined statement should be made, pointing out what might appear the defects of the present arrangements for communication with India *via* the Red Sea, the objects of the proposed Company, and the terms, as well as the assured means, of carrying the plan into execution, I have now, as Chairman of the committee, appointed at a general meeting held on Friday, the 18th January last, to lay before you the views which that committee takes of the subject, and the proposal which it is thought may fairly be made to Her Majesty's Government and the East India Company

The universal call for regular and rapid communication between Great Britain and her Indian possessions, on the part of the public, and the great importance attached to its establishment by the Government of the country, has been responded to by the plan which has been partially carried into effect by the East India Company, in stationing steam-vessels for the Post-office service at Bombay, to carry mails, &c., to and from Suez. The practicability of this channel of communication having been thus tested and proved, it remains to be seen in what way it may be rendered more perfect, and less exposed to interruptions than it is at present.

It is impossible to refuse the meed of praise for the ready acquiescence which was evinced by the East India Company, in meeting the recommendation of a Committee of the House of Commons, in 1834, to make the experiment. It required that in such a measure the initiative should be taken by that corporation; but the economy which necessarily attended such an experiment has been one of the causes of its very limited success; and the cost of carrying it out, so as to make it as extensively beneficial as the peculiar circumstances of the case require, would be more than it is reasonable to expect any public body should incur. The steam-boats which have hitherto been employed are—

The "Hugh Lindsay,"	of 450 tons, and 160 horse-power.
The "Atalanta,"	- 616 " 210 "
The "Bernice,"	- 664 " 230 "
The "Semiramis,"	- 800 " 300 "

And the East India Company are now building—

At Bombay, one of	- 640 tons, and 230 horse-power.
At Calcutta, one.	
By Curling and Young, one of	800 " 220 "
By Pitchers, two of	- 800 " 220 "

The great difficulty on the Asiatic side is the monsoon, which the boats at present in use have thrice failed to overcome. If, therefore, with vessels of 664 tons and 230 horse-power, the monsoon is too strong to be resisted, it follows, as a natural consequence, that a vessel of nearly 800 tons, with only 220 horse-power, will also fail in its object; but even supposing that, by improved machinery and better built vessels, the proportion of power to the tonnage should have been rightly adjusted in the new vessels, yet the vessels themselves are not sufficiently powerful

to encounter the monsoon, and will not afford that extent and character of accommodation to passengers which, in addition to the transport of letters, the public require.

The vessels which are to perform the service between India and Suez should be of that class, that they should offer ample accommodation to passengers, to whom it is of as much importance to find means of easy transport for themselves as for their letters.

The arrangements, then, which at present exist, and to which, from the size and power of the vessels now building, it seems they are intended to be limited, are insufficient in two essential points:

- 1st They offer no guarantee of successfully overcoming the monsoon; and, Note (A.)
 2dly. They can only accommodate a limited number of passengers. (B.)

By the present arrangements, besides, the communication is not continuous; it commences and breaks off at Suez; for the chain not being kept up, the mails from India are, upon the average, obliged (according to the Report of the East India and China Association) to wait five and a half days at Alexandria for a French steamer to Marseilles, and seven and three-fourths days for a British steamer to Malta; and the average arrival of letters by the French route from Alexandria to England is 26 days, and by the English packet 31 days, so that the want of a corresponding arrangement at Alexandria subjects the transmission even of letters and papers to delays which can be, and therefore should be, avoided. (C.)

Such are the imperfections of the present plan, to remedy which would require new arrangements—a new system, considerable outlay of capital, and a combination of facilities, and accommodation to the community at large, which neither the Government nor the East India Company would be willing to undertake.

But, in addition to the before-mentioned impediments to the efficiency of the present plan, is the interruption to which it is subject by the requisition of the steam-boats for political purposes, so long as they belong to the East India Company. It is true that this interruption has only occurred once; but, looking to the immense extent of coast, the possible circumstances which may arise out of the present occupation of the shores of the Indus by the Indian army, and the important advantages which the transport of troops in steam-vessels at all times affords, it is fair to infer, that whenever occasion requires, the packets will be appropriated to the service of the State, and the post-office duties will be performed by sailing vessels if they chance to be at hand, or they will be postponed until an opportunity may offer. (D.)

Having thus pointed out the defects and inconveniences attending the present system, and attempted to show that, prospectively, there is little ground to hope for any improvement in it, I have now to lay before you the plan which the proposed Company is calculated to carry out.

The great desiderata of any arrangements are, safety, punctuality, despatch, adequate accommodation, continuity, and an undivided management.

To accomplish the four first of these objects, vessels of sufficient size and power must be provided. The experience which has been happily obtained by the performance of the "Sirius," the "Great Western," the "Liverpool," and "Royal William" steamers, running between England and the United States, has proved the superiority of large steam-vessels over smaller ones; they are easier; they meet a heavy sea with less labour and less strain than small ones; the speed is also greater and more regular, and therefore the calculations can be more certainly made in respect to arrivals. This experience affords a guarantee of safety, and of the power which large vessels possess of overcoming the monsoon, which has hitherto been wanting. (E.)

The concurring testimony of all who have been examined upon the subject of the monsoon, leads to the conclusion that large vessels, with an adequate steam-power, will successfully contend against it; and, although there are various opinions as to what may be the exact amount of tonnage which would effect that object, yet, from a parity of reasoning, the greater the size of the vessel, within certain limitations, the more security there is of overcoming the obstacle.

Taking this view of the subject, the committee, appointed at a general meeting, on the 12th October last, have, in their Report, recommended vessels of 2,000 tons burthen and 500 horse-power, which will then combine the desired objects of safety, punctuality, despatch and accommodation.

In respect to the latter point, it may be well to remark, that the kind of passengers going to and from India, is different from those frequenting other places, and they require, from their habits and general means, better accommodation than the crowded state of steam-boats in colder climates would afford. The attractive character, besides, of such boats would multiply travellers in a great degree, and be the means of increasing that information which the research of scientific and literary persons at all times affords from their observations.

I am sure I am not over-valuing the importance of this latter consideration, when I reflect upon the avidity with which every book, treating of the interesting matter which Eastern countries afford, is read by the British public.

Note (F.)
(G.)

Hitherto the communication by way of the Red Sea has been confined to Bombay; and as the routes from Madras and Calcutta to that Presidency are attended with great difficulty and much inconvenience, immense expense and delay are experienced by travellers in getting across the country (which, in the case of families moving, amounts to a virtual prohibition), added to which, is the uncertainty of finding a boat at Bombay on their arrival. It is, therefore, proposed to extend the communication by steam to Ceylon, Madras and Calcutta.

The plan of the proposed Company is to establish, first, a regular steam communication every fourth Saturday from England to Alexandria, which voyage will be accomplished often in 12, and on the average in 15 days, allowing even for calling off Gibraltar and Malta, to give and receive mails, and to take such passengers as may be ready immediately to embark without detention to the vessel. On arrival at Alexandria, the mail, &c., and passengers will be immediately forwarded to Suez by the canal to Cairo, and by land conveyance from thence. At Suez a steam-boat will be always in readiness to take the mails and passengers, &c., on board, and sail immediately for Aden, Socotra or Ceylon (as may hereafter be determined, according to circumstances), and deliver the mail and passengers for Bombay to a boat which will be in readiness to receive them. It will then proceed to Madras and Calcutta (leaving the mails, &c., for Ceylon at Point de Galle). The return voyage will be regulated in the same manner, starting from Calcutta every fourth Saturday, and from Bombay in time to meet the Calcutta boat.

This arrangement will afford a communication with Bombay in 35 days, with Ceylon in 37 days, with Madras in 40 days, and with Calcutta in 45 days.

Such are the objects of the proposed Company, and it is believed that it will meet with the cordial approbation of the Indian community, European and native, who have, by their constant petitions to the Legislature, to the India Board, and to the Court of Directors, evinced the lively interest they take in the scheme being thus comprehensively carried out. But, in order to give it the fullest and most beneficial effect for all the interests which are involved in it, the concurrence and support of Her Majesty's Government and the East India Company are sought, and considered by the committee to be indispensable.

The Company propose that, in consideration of the conveyance of the mails to and from the three Presidencies, and Ceylon, and Great Britain, and the conveyance of mails every fourth Saturday to Gibraltar, Malta and Alexandria, and back from these places when the packets return (which will be comparatively regular when once fairly established), an allowance of a sum of money equal to the expense to which the Government and the East India Company are now subject, for the partial and imperfect communication carried on between Bombay and Suez, (but not exceeding the sum of 100,000 *l.* per annum), be made to the Company for 10 years, the Company undertaking to give any security which the Government may require for the due fulfilment of their contract, the Government receiving all the postage-money for letters, and the Company agreeing to reduce the Government payment by as much of the profit in every year as shall be in excess of 10 per cent. dividend to the shareholders, making due reserve for a sinking fund for wear and tear, and renewal of steam-boats, when too old for service.

The Company will, in addition, agree to the nomination of three Directors to their Board, who may take part in and vote upon any matter in discussion, except the appointment of officers and servants of the Company, viz., one by the President of the India Board, one by the Postmaster-General, and one by the East India Company, and a free passage shall always be given to any officer the Government may choose to send in the steam-vessels, to report upon their state and efficiency for the service of their contract, and which officer shall have access

to every part of the vessel, and may stop at Alexandria, or proceed on to India, free of expense, according to the orders he may receive from the Government, it being fully understood that the said officer is not to interfere with the navigation of the steam-boat.

In short, I may sincerely say, that it is the desire of the proposed Company that every security should be offered to the Government and the public, that the communication will be efficiently and honestly carried out, which, I think, will be evident from the guarantee I have named above, and from the fact that the Company only require, as compensation from the Government and the East India Company, for the entire conveyance of the Government despatches, of the letters to and from England and the three Presidencies and Ceylon, and a four-weekly conveyance of letters to and from Gibraltar, Malta and Alexandria, the same sum that they now expend in conveying the mails to and from Suez and Bombay.

Note (H)

The means which the Company intend to apply to the proposed object is a paid-up capital of 600,000*l.* for the establishment of seven vessels (and an eighth, if necessary), and of such land conveyance across the Isthmus as may secure the free and safe passage of the mails, passengers, &c.

The Company will have to apply to the Government for a further aid in modifying the quarantine laws, and to place the Company's vessels upon the same footing in that respect as Her Majesty's ships; viz., allowing the days of the voyage to count as part performance of the quarantine.

The plan of the proposed Company contains a further advantage to the travelling public by its continuity. The great evils of the present system in regard to passengers, are the uncertainty of getting forward from Suez to Alexandria, the detention and quarantine at Malta, and the constant changing of boats, which is in almost all cases a most serious inconvenience: all these unpleasantnesses will be obviated by the connected plan of the Company, and the management of it being undivided and free from all interruption from the caprice or inability of others; every traveller will find the means at hand of immediately pursuing his journey, if he thinks fit.

I may here add, that the proceedings, diaries, &c., of the Supreme Court of Bengal, being very voluminous and bulky, cannot be conveyed by dawk to Bombay, for transmission to England, by the present mode of steam conveyance; they are consequently sent by sailing vessels round the Cape, and are thus subject to all the delays and accidents attendant upon that route; whilst, by the adoption of the plan now recommended they would be transmitted in the same rapid manner as ordinary letters and despatches are intended to be conveyed, a matter of the highest importance both to the Government and to the East India Company, as well as to individuals concerned in these proceedings.

(1.)

I take the liberty, in conclusion, of adverting to a remark which was made, that the Government had nearly concluded treaties by which letters might go in sealed bags to Marseilles or Trieste, and thus be forwarded to Alexandria in less time than was now occupied in their transmission by Gibraltar and Malta. It will occur to you that, in sanctioning the proposed plan submitted by the Company, you promote great national interests, by the encouragement of sailors and engineers, both of whom may be most useful in case of maritime war. You will give employment to British capital, and a zest to British enterprise. You make yourself independent of the permission of foreign powers, one always a jealous rival of all our national objects, and the other having almost innumerable intermediate little states between it and England, each of which has its own fiscal laws, and is tainted with undefined interests, and the occasional exercise of capricious interference; and, finally, the period of arrival at Alexandria will on all ordinary occasions be quicker by the direct route by sea than by an overland journey by Marseilles or Trieste.

I have, &c.

(signed) T. A. Curtis.

NOTES.

(A.)

See Evidence before Parliamentary Committee, 22 June 1837, on Steam Navigation with India, Captain Alexander Narue, pages 23, 24, No. 199, 204; of Major Head (25 Comm. 1834), page 116, No. 1330, 1339, 1421; of Mr. Waghorn, 7th July 1834, page 211, No. 2436

(B.)

See Report of Meeting, 13 January 1839, Major Oliphant's evidence, page 26. 693.

B 2

(C.)

(C.)

See, besides, Report, 13 January 1839, Captain Barber's evidence, page 15, and Mr. Ridgway's, page 11.

(D)

See Report, 13 January 1839, Mr. Auber's evidence, page 16.

(E.)

The "Sirius" started for New York four days before the departure of the "Great Western," which, being a larger vessel, arrived within a few hours of the time of the "Sirius," which, being of inadequate tonnage and power, has been since withdrawn from the American Station.

(F.)

See Report of the Committee 1837, page 126, evidence of Honourable J. Elliott, Postmaster-general of Calcutta.

(G.)

It appears that the charges at present of a passage from Calcutta to London are—

	£.	s.	d.
From London to Gibraltar	18	—	—
„ Gibraltar to Malta	13	—	—
„ Malta to Alexandria	12	—	—
Travelling and incidental expenses in Egypt	10	—	—
Suez to Bombay	80	—	—
Bombay to Calcutta by land, travelling and incidental expenses	120	—	—
	£. 253	—	—

But the proposed plan of the Company would reduce the charge to

	120	—	—
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Effecting a saving thereby to the traveller of

	£. 123	—	—
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(H.)

See Committee Report, 1837, evidence of T. L. Peacock, esq., page 42 (Estimates of Current Expenses.)

(I.)

Inconvenience attending separate transmission of despatches, and diaries of judgments and evidence, P. Auber, Esq., page 19, 13 January 1839; Captain Barber, page 15; Lord William Bentinck, page 2.

To the Right honourable Sir *John Cam Hobhouse*, Bart., President of the India Board, &c. &c. &c.

Sir,

Bank of England, 25 March 1839.

THE questions which I understood you to place before me when I had the honour of an interview with you on the 14th instant, in reference to the letter which I addressed to you on the 21st February, were, 1st, In how short a time the proposed Company which I represent could place steam-vessels on the station direct from England to Alexandria; 2dly, In how short a time the said Company could place steam-vessels to commence the packet service at Calcutta; and, 3dly, Whether the Company would forego the Bombay line.

Having employed myself, in conjunction with my colleagues, in collecting the necessary information from shipbuilders and engineers of the first eminence since that interview, I am now prepared to state, that the Company could place steam-boats to take up the whole line in England and India in 20 months from the time of receiving the recorded sanction of Her Majesty's Government and the East India Company; and the agreement on the part of both to contribute collectively the sum of 100,000*l.* annually for the term of 10 years, reserving always to those parties the advantage of the possible diminution of that sum, offered in my letter of the 21st February, before referred to.

At the same time I think it due to the importance of the question to state, that should Her Majesty's Government and the East India Company desire it, the proposed Company would undertake to place steam-boats at a much earlier period, though of smaller dimensions than those contemplated by the Company for the permanent

STEAM COMMUNICATION *between SUEZ and BOMBAY, &c.* 37

permanent service, to carry the mails and passengers, &c., direct from England to Alexandria and back, on receiving an allowance, to be agreed upon, as equivalent to the service performed. In respect to this latter proposal, I beg to observe, that the steam-boats in the service of the East India Company do not admit of many passengers being accommodated; and therefore steam-boats of the large size intended to be run between England and Alexandria, when the comprehensive plan is complete, are not yet required under the present limited arrangements of the East India Company.

It may be well to add, that during the four months of the monsoon few or no passengers will come by the present East India steam-packets to Suez, and that, unless immediate orders are given that the packets shall proceed along the Malabar coast during the monsoon, and come round by the African coast to the Red Sea, no certainty can exist in regard to the time of the arrival of the packets at Suez.

Referring to the third question, the Company will readily acquiesce in relinquishing the Bombay line, if it should be deemed desirable; but I respectfully submit, that the undivided management of the plan carries with it a certainty of success, which the dependence of one party upon the other would probably defeat.

In conclusion, I take the liberty of soliciting the earliest possible determination of the Government upon the subject, as the most favourable season for contracts with shipbuilders and engineers is now at hand, and possibly the establishment of the steam-boats on the whole line at an earlier period than that specified might be thereby accomplished.

I have, &c.

(signed) T. A. Curtis.

To the Right honourable Sir *John Cam Hobhouse*, Bart., President of the India Board,

Sir,

8, Tokenhouse-yard, 13 April 1839.

I HAVE the honour to acknowledge the receipt of your favour of the 6th instant, transmitting me a copy of the reply which the Chairman and Deputy Chairman of the East India Company had addressed to you in respect to my letter of the 25th ultimo.

This communication embraces five particular points, to which I take leave to reply:

1st. The delays and irregularities which occur between Alexandria and England, in contradistinction to the regularity with which the communication has been maintained between India and Egypt.

2d. The greater despatch which may be looked for in transmitting the mails from Alexandria by way of Marseilles, instead of the sea route.

3d. The acquittal of the East India Company of their responsibility in respect to the due and regular performance of the duty of transmitting the mails to and from India and Egypt.

4th. The abandonment of the Bombay line by the East India Company.

5th. The alternative contemplated by the proposed Company for carrying out the comprehensive plan, in case of any interruption to the Red Sea route, from political causes.

I take leave, in avert ing to the first point, to remark, that the fact does not appear to correspond altogether with the Chairman and Deputy Chairman's letter. The June and July mails from Bombay arrived both at the same time, the latter having had half its contents plundered by the Arabs in crossing the Desert from the Persian Gulf. And again, the August and September mails arrived at the same time from Bombay, by the Red Sea route, the "Semiramis" steamer having been obliged to put back with the August mail, being unequal to contend against the monsoon. The three mails of the 1st August, and 2d and 30th September 1837, from England to India, were sent from Suez all together, in consequence of the detention of the two former, from an accident to the machinery of the "Berenice," on her voyage from Bombay to Suez. I have thus clearly shown that the delay attending the transmission of the mails is not almost without exception on this side of Alexandria; although I am quite willing to admit that the delays which

which do exist in that part of the arrangement are both frequent and vexatious. And, as it is admitted on all hands that the steamers at present in use, as well as those building for the East India Company, are quite unequal to contend against the south-west monsoon, it follows that there is no chance of that corporation responding to the calls and just claims of the people, both in England and India, for a regular periodical transmission of the mails. I beg also here to remark, that the letter of the Chairman and Deputy Chairman refers solely to "despatches and letters;" whereas I venture humbly to suggest, that, viewing the vast extent and importance of the interests involved in the possession of our Indian empire, there is as great a duty to be performed in affording the facilities of passage to and from that empire to persons, as to letters and despatches, and which facilities must be for ever closed against the public, if the present arrangements are permitted to continue. The second point of the Chairman and Deputy Chairman's letter assumes, that the transmission of letters by way of Marseilles will in all probability be quicker than that by the sea route. To this assumption I demur *in toto*. By a return in my possession, it appears that in 13 months consecutively from October 1837 to December 1838, the time occupied in transmitting letters from Alexandria to London, *via* Marseilles, was 26, 25, 35, 45, 23, 22, 22, 23, 22, 20, 22, 21, and 21 days, making an average of rather more than 25 days, and the shortest time in which letters have ever arrived by that route has been 16 days. It is upon record, that the "Orient" steamer made the passage from England to Smyrna in 12 days, in the worst season of the year, her class not being anything near what the proposed Company's vessels would be; the assumption, therefore, that the route *via* Marseilles would be quicker than that by sea, "whatever might be the size and power of the vessels employed," is by no means borne out. The logs of the large Atlantic steamers will show, that an average of 200 miles per day can be maintained in all weathers; thus establishing the proof, that in such a voyage as that between England and Alexandria, the passage in ordinary times may be made in large vessels in 12 days, and on the average in 15 days, or one day less upon the average than the shortest passage ever effected by way of Marseilles, and 10 days less than what the experience of 13 months has exhibited in respect to that route. In addition to this, I permit myself to recall to your recollection that part of my letter to you of the 18th February last, in which I pointed out that under the present system the mails were on the average detained 5½ days at Alexandria for a French steamer, to carry them to Marseilles; whereas, by the adoption of the plan I have submitted, a steam-boat would always be in readiness to bring away the mails, despatches and passengers, the moment they arrived at Alexandria from Suez, which is, in fact, 5½ days more in favour of my plan. I scarcely feel myself called upon, or perhaps justified, in adverting to the third point in the Chairman and Deputy Chairman's letter, because the remittal of the responsibility undertaken by the East India Company towards the public, is entirely a matter between that corporation and the Government, but I refer to it to express my full expectations that the Legislature will sanction and recognize the Company I shall propose, by an act of incorporation, which will embrace and embody all the points which can render it effective to the public service, and bind it to any obligations it may undertake. On the point of the abandonment by the East India Company of the Bombay line, I have only to refer you to my letter of the 25th March. With the pecuniary grant I conceive I have nothing to do, as that must remain, as it is at present, a matter for adjustment between the Government and the East India Company.

The fifth and last point of the Chairman and Deputy Chairman's letter is, in reality, the most important of all, and to that I shall reply, by referring, in the first place, to that paragraph in the Report from the committee of inquiry to the general meeting, held at the London Tavern in February last, in which reference is had to the size of the vessels contemplated, and which indicates their applicability to "other services" in case of need. This indirect allusion in that Report to the possible contingency of interruption to the Red Sea route was intended to imply that the vessels might be sent round by the Cape should such a necessity arise. The Chairman and Deputy Chairman's letter inquires what course the proposed Company would adopt, if, during the term of their contract, political circumstances should arise to preclude the passage of the mails through Egypt? Might I not answer this question by asking, in my turn, by which route the East India Company would send their despatches and letters in such an event? My plan only exposes itself to one, and that an improbable contingency, but the route

route

route by Marseilles and Egypt combines two possible and one probable interruption. I avoid the latter contingency altogether; and having, as I trust, satisfactorily shown that expedition is more certainly secured by the sea route than by way of Marseilles, I again appeal to the patriotism of the Government to cherish a system which will form a constant school for that branch of nautical science, steam navigation, which is daily, I may say hourly, increasing in importance, in preference to the adoption of a route which, whilst it exposes the Government and the British public to the risk of detention, interruptions, and the possible breach of good faith, by opening despatches and letters under vexatious pretexts, also throws into the scale the advantage to the French Government of fostering, improving and rendering formidable its own means of steam navigation at the expense of British enterprise, British industry and British skill. In the event of any interruption to the route by way of Egypt from political causes, I propose that the steam-vessels of the projected Company should be sent round the Cape, unless the Port of Beyrout and the passage to the Persian Gulf might be made practically available for all purposes. But, of course, this contingency would require a fresh arrangement with the Government and East India Company, as the expenses in both cases, either of Beyrout or the Cape of Good Hope, would be greatly increased. A clause to that effect might be inserted in the contract.

In conclusion, I beg to remark upon one expression in the letter of the Chairman and Deputy Chairman, which, though I am sure it was not intended by them to cast a suspicion upon the projectors of the comprehensive plan, has that effect in reading the paragraph. The letter says, "Whether this delay, &c. &c., would be effectually obviated by a contract with another private company not yet formed, seems to be very doubtful, as, even supposing that company to perform to the letter all its engagements, &c." It is true that the Company is not yet formed ostensibly; but the East India Company are quite aware, as they have received all the reports upon the subject from me, and a copy of my letter to you of the 18th February, that nothing is required but the sanction and support of the Government and the East India Company to bring it into immediate activity; it seems, therefore, a gratuitous and uncalled-for expression of doubt, whether the plan will ever be matured and carried out, when followed by the major doubt, whether the proposed "Company will perform all its engagements;" a doubt which ought to have no existence, inasmuch as the very basis on which the proposal is made to the Government is that of ample security that the Company will fulfil its engagements to the letter, and I trust the good faith of British merchants is still to be confided in, even if no other guarantee was offered; but to all the guarantees which the Company can offer in itself is to be superadded the individual interest of almost if not all the persons who will be parties to the Company.

I have, &c.
(signed) T. A. Curtis.

To the Court of Directors of the Honourable East India Company.

Gentlemen,

8, Tokenhouse-yard, 3 July 1839.

Nor having received any reply to my letter, addressed to your Honourable Court on the 15th May last, and fearing that it may have escaped notice, I take the liberty of inquiring when I may expect a reply, as the time which has already elapsed since my letter was presented, is a matter of great inconvenience to the parties who have interested themselves in the promotion of a satisfactory communication with India by steam, *via* Egypt, and this evil is daily increasing.

I beg leave at the same time to state, that meetings have been held in all parts of India expressive of an anxious desire to see the proposed plan submitted by me to your Honourable Court carried into effect, and that, as a proof of the sincerity of that anxiety, subscriptions to the amount of 100,000*l.* were in a few days entered into, of which an instalment of 10 per cent. was immediately paid up. I may also call to the attention of your Honourable Court the recent failure in the present system of communication by the return of the "Hugh Lindsay," and the relinquishment of the despatch of any steamers from Bombay during the months of June, July and August; as a proof of the insufficiency of the vessels now employed, and as a prognostic of the incompetency of those

building, or lately built, to master the difficulties which present themselves during the monsoon.

Respectfully soliciting a reply to my letter,

I have, &c.
(signed) T. A. Curtis.

To the Chairman and Directors of the Honourable East India Company.

Gentlemen, 8, Tokenhouse-yard, 10 September 1839.

I AM still without any reply to the letters I had the honour of addressing to you on the 14th May and 3d July last. I will not pretend that I am wholly unaware of the cause of this protracted silence on your part; it would be trifling with truth if I did not admit I had good reason to believe that it had been occasioned by the different views which the consulting parties have taken of the subject of my communications.

I think it, however, my duty to inform your Honourable Court, that the time is now arrived when it is necessary the committee appointed to carry the resolutions of the public meeting, held at the London Tavern on the 18th January last, into effect, should call another public meeting to report their proceedings, and that the whole correspondence which has taken place will be then exhibited. It would be very satisfactory to me, if I could report that an answer had been received from your Honourable Court, either to sanction or reject my proposal; because, in either case, the body of persons deeply interested in the question, and whom I have the honour to represent, would know in what way to proceed as the case at present stands, it will be manifest that if the project should be given up, the failure may be attributed to a want of discreet patience on the part of the committee, whilst, on the other hand, the greatest anxiety prevails both in England and India to see the proposal adopted. I therefore venture once more to express my hope, that your Honourable Court will be able to meet the wishes of the whole of India, and a large portion of the British public, in consenting to the proposal I have submitted; on which, instant steps will be taken to present to the notice of your Honourable Court such a Company, and such names as Directors to it, as I think will not fail to give entire confidence and satisfaction.

I have adverted to the wishes of India; in corroboration of which, I beg to refer your Honourable Court to the public meetings which have been held in various parts of India; to the resolutions passed in favour of the comprehensive plan by way of the Red Sea; to the powerful subscriptions already raised (that in Calcutta alone amounting to 100,000 £, and in Madras to 22,000 £); to the fact that the Governor of Madras presided at a public meeting, at that city, on the same subject; and to the loudly expressed wish of the natives of India in the interior, as well as at the ports, that this long-desired boon should be at length granted, to which wish the natives, as an earnest, have added their subscriptions

I further take leave to call the attention of your Honourable Court to the contract which has lately been entered into by the Admiralty, with a prospective company, for the conveyance of the mails to and from the West Indies and Mexico, for a sum of 240,000 £. per annum for 10 years; and another contract, with a private individual, for the mails to and from Halifax, for 50,000 £. per annum. I will not occupy the time of your Honourable Court in comparing the importance of these lines with that of the great empire under your charge; but I venture humbly to suggest, that the terms proposed in my letters are far more advantageous to the Government and your Honourable Court, than those agreed to by the Admiralty; besides which, the speech of Mr. C Wood, the Secretary of the Admiralty, the report of which, extracted from "The Times" of the 22d August, I have the honour to enclose, fully bears out the view that a service of that kind can be much better carried out by a private company than by a government. The company with which the Admiralty made the contract, had no existence until the terms of the contract were settled; I therefore trust that the scruples hitherto existing on the part of your Honourable Court, in respect to treating with a prospective company, will now entirely cease, and that as you are quite

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quite aware that it only requires the fiat of your Honourable Court, in accordance with the views of the India Board, to bring an efficient company into immediate operation, you will no longer hesitate to sanction the proposal I submitted on the 14th May.

I have, &c.
(signed) *T. A. Curtis.*

EXTRACT from the "Times," 22 August.

"Mr. C. Wood said, he must object to a motion for a Return which it was impossible to grant; but perhaps the honourable Member would be satisfied with an explanation. With respect to the conveyance of the North American mail to Halifax, the lowest tender which Government had received in answer to public advertisement was for 45,000 *l.* a year, the mail to be conveyed once a month. This appeared to Government much too high; and they had, consequently, made a private bargain, by which, for a slightly increased sum, they would have double the quantity of work performed. The contract was for the conveyance of the mail to Halifax once a fortnight, at the rate of 50,000 *l.* yearly. Government had also made arrangements for a mail from Halifax to Boston once a fortnight, and the total yearly expense would be 60,000 *l.*; these arrangements were made for seven years. With respect to the conveyance of the mails to the West Indies, no contract was yet made; but he did not anticipate that the service would be performed at the same low rate, unless the party contracting to do it had important interests of another kind at stake in the West Indies; no offer had been made to the Admiralty half so good as that which had been taken. Certain persons had come to the Treasury and Admiralty, and said they would perform the duty for 240,000 *l.*: that was agreed to. What was the service to be done? There was now a communication by sailing vessels twice a month between this country and the West Indies, and there was a communication once a month, by the same means, with Mexico; but the mode of communication by sailing packets was altogether deficient and unsatisfactory. There was no regular communication at all with Mexico; and the communication between the whole of our West Indian possessions and the coasts of South and North America was very defective. Thus, there was no packet communication whatever between Mexico and the West Indies, and no direct communication between Cuba and the east coast of America. If species were to be conveyed from Mexico to any part of the West Indies, there was no mode of doing it but by a ship of war. In fact there was no communication which could be depended upon between the West Indies and the whole of North America. These were deficiencies which would be supplied by the parties with whom this contract had been made. Twice a month steamers of 400 horse-power would cross the Atlantic; and such lines would be established as would connect all the islands of the West Indies, whether British or foreign, and as would also connect our colonies in the West Indies with those in Demerara and Berbice, with the Caraccas and Honduras, with Havannah, with Vera Cruz, and the western part of the United States: a connexion also would be established between Havannah and New York; the number of steamers required would be about 14; and the result would be, that they would have communications between the whole northern part of South America and the whole southern part of the United States, and with the British Islands; and such a one, too, as might be reckoned on as certain: this would be established early in the summer of 1841, which was as soon as so many steamers, which would be of a size of which there were as yet only two examples, could be built. This, he thought, was as satisfactory an arrangement as could be; and that it was a fair one there could be no doubt, when it was considered how heavy must be the expense of building so many vessels, and also of sending out coal from this country to supply them. The arrangement had been made to last for ten years; the reason for which was, that unless they had settled that the contract should last for a considerable term, the Admiralty would not have been able to get the services performed for the same money."

Sir,

East India House, 14 October 1839.

I HAVE laid before the Court of Directors of the East India Company your letters, dated respectively the 14th May, the 3d July and the 10th ultimo, relating to a proposal for the conduct of the steam communication with India and Ceylon by means of a private company, to be established for the purpose.

In reply, I am commanded to inform you, that the Court are duly sensible of the advantages of maintaining an efficient steam communication with India, and that their anxious endeavours have been, and are still, directed to the accomplishment of that object. To any well-devised measures by which the established means of communication might be extended, the Court would be ready to afford due encouragement; but in the present state of circumstances they are unwilling now to enter into any arrangement affecting the measures in progress regarding the communication between Suez and Bombay.

I am, &c.

(signed) *James C. Melvill,*
Secretary.

T. A. Curtis, Esq.
8, Tokenhouse-yard.

CORRESPONDENCE between the COURT of DIRECTORS of the EAST INDIA COMPANY and the PENINSULAR and ORIENTAL STEAM NAVIGATION COMPANY, respecting the Arrangement whereby they were to be paid £.20,000 per annum, for Five Years, for carrying on a STEAM COMMUNICATION between *Suez* and *Calcutta*, calling at *Bombay*, if required.

Peninsular and Oriental Steam Navigation Company,
Offices, 51, St. Mary Axe, London, 16 Feb. 1841.

Sir,

In consequence of the communication which took place on the 21st January between the Honourable the Chairman and Deputy Chairman of the East India Company and the deputation from this Board, I have been directed to address you for the information of the Court of Directors, and to state the present position and intentions of this Company in reference to completing, by means of powerful steamers, the intercourse between England and the East India Presidencies as speedily as possible.

This Company are now enabled to convey to the Court the assurance, that in the course of next year the communication between Suez and Calcutta will be opened by two vessels of 1,600 tons burthen and 520 horse-power each, in course of being constructed; and they will be prepared, if required, to take immediate steps for completing contracts for two additional vessels of same tonnage and power for similar service, so as to establish a monthly line to the Presidencies on the other side the Isthmus. It will, doubtless, be evident to the Honourable the Court of Directors, that an undertaking of such a magnitude, accompanied, as the Court must be well aware, with heavy expenses, requiring a large establishment and an ultimate expenditure of nearly half a million, cannot be kept up on a proper scale merely by the receipts arising from the passengers' intercourse.

The measure is one ardently longed for by the friends of India; and from the many important advantages which would result from it, the Board do not for a moment doubt that it is also the sincere wish of the Honourable the Court of Directors to promote the undertaking, and thereby advance the great interests over which they preside. The Directors, having maturely considered this question, feel no hesitation in saying that, with the countenance and legitimate aid which the Honourable the Court of Directors may afford to such an undertaking, on the grounds alluded to, they would be enabled to enter into a contract for the conveyance, next year, of the mails and despatches monthly to and from Suez, Madras and Calcutta, or embracing a separate line to and from Bombay, should the same appear desirable to the Honourable Court.

In the event of the Honourable Court considering it premature to enter into a permanent contract for the services proposed, the Directors beg to be informed whether

whether it would meet the views of the Court to grant assistance or remuneration in some other shape for the proposed services.

Although the vessels now being constructed for the Indian Seas are building without reference to the contingency of a mail contract to be entered into, yet it will, in a great measure, depend upon the countenance and support the Company may receive from the Honourable Court as to the communication being speedily placed on the footing so much desired by all parties; namely, that of a monthly line of steamers of first-rate power and capacity to each of the Presidencies.

The Directors desire to state to the Honourable Court, that the measure proposed by this Company, in carrying out on an enlarged scale steam communication with the East, is not one of an experimental character, as far as they are concerned.

The Company has been for some time in existence; it is possessed of a large property in steam shipping, and, being under three different Admiralty mail contracts, they have had ample experience in the management of such undertakings.

They would refer, with some degree of pleasure, to the superior manner in which the contract for the India mails to and from Alexandria has been carried on during this severe winter; since its commencement these powerful vessels have made the voyages to and from Alexandria, a distance of 3,000 miles, on an average of 13 days' steaming. In conclusion, I am instructed to add that, except under very unfavourable circumstances, the entire distance between Suez, Ceylon and Calcutta may be accomplished by the powerful steam-vessels alluded to in 25 days' steaming, or touching at Bombay in 28 days to Calcutta from Suez.

To James C. Melvill, Esq.
&c. &c. &c.

(signed) *Jas. Allan,*
Secretary.

Sir,

East India House, 19 March 1841.

I HAVE laid before the Court of Directors of the East India Company your letter of the 16th ultimo, in which you explain the present position and intentions of the Peninsular and Oriental Steam Navigation Company in reference to completing by powerful steamers the intercourse with the Indian Presidencies, stating that, with the aid of the Court of Directors, the said Company would be enabled to contract for the conveyance next year of the mails and despatches monthly to and from Suez, Madras and Calcutta, or with a separate line to and from Bombay; and inquiring whether it would meet the views of the Court to grant assistance or remuneration in some other shape for such proposed services, should it be considered premature to enter into a permanent contract.

In reply, I am commanded to state, that the Court have duly considered the subject of your letter, and that any encouragement which they may grant to the extension of steam communication with India must, for the present, be in the form of a pecuniary contribution.

Looking to the importance of the object in view, and to the warm interest which it has excited both in this country and in India, the Court are accordingly prepared to make a grant of the sum of twenty thousand pounds (20,000*l.*) per annum to the Peninsular and Oriental Steam Navigation Company for a period of five years, in aid of the measures contemplated.

The said sum will be payable half-yearly, commencing from the date when the first steamer shall be put upon the line between Suez and Calcutta; and its continuance beyond the first year is to be dependent upon the following conditions; *viz.*

- 1st. That the steamers, if required to do so, touch on each voyage at Bombay.
- 2d. That the monthly communication with Calcutta and Madras, and, if required, with Bombay, be completed within 12 months from the date when the first payment shall commence, and be thenceforward regularly maintained in every month.
- 3d. That the vessels to be employed shall be of the size and power specified in your letter, namely, 1,600 tons burthen and 520 horse-power.
- 4th. That in the event of the East India Company wishing, within the before-mentioned period of five years, to enter into any contract for the conveyance of the mails, the pecuniary contribution now granted shall merge in the sum that may be payable under such contract.

The Court desire me to request that the assent of the Peninsular and Oriental Steam Navigation Company may be signified to the above conditions.

I am, &c.

(signed) *James C. Melvill,*

Jas. Allan, Esq.
Secretary to the Peninsular and Oriental
Steam Navigation Company.

Secretary.

Peninsular and Oriental Steam Navigation Company,
Offices 51, St. Mary Axe, London,—1841.

Sir,

I AM directed to acknowledge the receipt of your letter of the 19th ult., announcing the intention of the Honourable the Court of Directors of the East India Company to grant pecuniary aid, on certain conditions, in furtherance of the efforts of the Board to extend the means of steam communication with India.

The Board, in laying before the Honourable Court their letter of the 16th February, and in soliciting their support of the important undertaking in which they are now engaged, were influenced, not less by a desire to realize the hopes and expectations of the public both in India and in Europe, and to render available for the service of the Company when required a splendid flotilla of steam-ships, fully adequate to the performance of any duties, however onerous their nature, than with a view to promote their own interests; and while they duly appreciate the liberal spirit in which their communication has been received by the Honourable Court, it affords them no ordinary degree of gratification to learn that their enterprise should be thought worthy of the sanction and support of so distinguished a body.

The Directors have given all due consideration to the second condition stated in your letter of the 19th ult., viz., "that the monthly communication with Calcutta and Madras, and, if required, with Bombay, be completed within twelve months from the date when the first payment shall commence, and be thenceforward regularly maintained in every month;" and I am instructed by them to observe, that though they consider it quite practicable to provide the number of vessels of 1,600 tons burthen, and 520 horse-power, which this service will require within the period mentioned, they feel that the risk of entering into such an engagement as that of undertaking monthly this communication, and regularly maintaining it, is one that should not be incurred without more information than they at present possess on a matter of such magnitude, and in the absence of any ascertained data on which to calculate their future income.

They have learned, from the best sources of information to which they have had access, that at certain seasons of the year they cannot calculate upon the carriage of passengers to any such extent as would enable them to meet the heavy disbursements of the voyage at the periods referred to; at all seasons, indeed, the receipts from such a source must be precarious, while the expense is certain, the cost of fuel alone for a single voyage being not less on an average computation than 7,000 *l.*

They would therefore respectfully propose, that condition No. 2 be so modified as not to require this Company to perform more than six voyages between Suez and Calcutta during the second year after the payment by the Honourable Company shall commence, and that the continuance of the grant after the second year be contingent on the four conditions specified in the Honourable Court's letter of the 19th ult.

I am directed to add, that the Board have, within the last week, accepted tenders for another vessel of the same size and power as those now being constructed for the intended service, thus giving the strongest guarantee to the Honourable Court and the public, that they will use every proper exertion to promote the great measure in hand, and to meet the monthly communication so soon as prudence would justify them in carrying it out on that scale.

The Directors desire to explain, that when they alluded in their verbal communications to the practicability of establishing a regular monthly line of steamers next year, with all the Presidencies, they did not contemplate that, to effect that object, all the vessels should be of the power of 520 horses; a suitable vessel of 420 horse-power to aid the object could at the time alluded to have been obtained

for

STEAM COMMUNICATION *between SUEZ and BOMBAY, &c.* 45

for the service; but subsequent events have placed that measure beyond their reach.

The Directors understand, from the Honourable Court's letter of the 19th ult., that as soon as the first vessel arrives at Calcutta, and is thus placed on the line for Madras and Suez, the payment of the grant will commence, and that should the Company's arrangements render it desirable, their vessels may touch at all or any of the Presidencies, as the Directors may see fit.

It is presumed, that in the event of any unforeseen casualty to any of the vessels when on the proposed line, the grant shall not be forfeited; and the Directors would submit for the consideration of the Honourable Court, that if war, the plague in Egypt, or other contingency, should arise, so as to render the proposed communication to be irregular, or temporarily to interrupt it, that the grant shall not cease until twelve months after the occurrence of such event.

The Board are apprehensive, from the tenor of the Honourable Court's letter, that theirs of the 17th February has not been sufficiently clear as to the means which might have enabled them to carry out a monthly intercourse between Calcutta and Suez in the course of next year, and they beg here most respectfully to explain, that their views had immediate reference to a mail contract, as the only prospect which existed of remuneration for such an immense outlay and regular expense, as they must in such case have been subjected to, and of which the annexed calculation will convey some idea,—an expense which, it must be evident to the Honourable Court, can never be covered by passengers alone.

I have, &c.
(signed) *Jas. Allan,*
Secretary.

J. C. McIvill, Esq.

SUPPOSED EXPENSES of keeping up a Monthly Communication between *Suez and Calcutta*, and regularly maintaining the same with Vessels of 1,600 Tons, and 520 Horse-power. Cost, ready for Sea, 85,000 *l.*, which includes duplicate Machinery and Ship Stores.

	£.	s.	d.
Wages and provisions for crew, engineers, servants, 750 <i>l.</i> per. month for three vessels, always running, per annum - - - - -	27,000	-	-
For an additional vessel always ready to take up the line, to make an occasional voyage in case of break down, say one-half - - - - -	4,500	-	-
Oil, tallow, waste, and sundry ships' and officers' stores, for ship and engine-room at 600 <i>l.</i> per month, for 12 voyages - - - - -	7,200	-	-
Coals, Welsh or Newcastle, under contract; consumption 35 cwt. per hour, performing 114,000 miles in the year, at an average speed throughout the year of seven miles per hour, including getting up steam, &c., each voyage occupying 1,360 hours' steaming, 28,560 tons, at 50s. per ton - - - - -	71,400	-	-
Wastage, labour, coal-hulks, depôts, lighters, superintendents at all the Company's stations, &c., 10 s. per ton - - - - -	14,280	-	-
Insurance on four steam-ships, at 7 per cent per annum, on 340,000 <i>l.</i> - - - - -	20,400	-	-
Wear and tear, and fund for repairing vessels, 15 per cent. per annum on 340,000 <i>l.</i> - - - - -	51,000	-	-
Deduction :	195,780	-	-
As one of the four ships above referred to will always be in port (ready for contingencies), it is reasonable to allow a reduction of one-half the charge to cover insurance, wear and tear, &c., say 10½ per cent. on 85,000 <i>l.</i> , equal to 15,571 <i>l.</i> 5 s., per voyage of 9,500 miles - - - - -	8,925	-	-
	£. 186,855	-	-

Note.—The cost of coals is only put down at the rates at which tenders have been received to supply them at, from England. If native coal can be made available at Calcutta, a considerable sum may be saved in fuel.

No provision is made in the above for agencies at Calcutta, at Ceylon, Madras, Aden and Suez, for rents, clerks' salaries, engineering department at Aden, and also at Calcutta, the total of which cannot fall much short of 1,000 *l.* per month.

For a certain portion of the year a branch steamer will be required of light draught of water between Ceylon and Madras; the expense is not included in the above.

It is understood that the East India Company's coals cost 3 *l.*; but other statements make the cost, including wastage, at 4 *l.*

Sir,

East India House, 19 April 1841.

I HAVE laid before the Court of Directors of the East India Company your letter (without date), in reply to the letter which I addressed to you on the 19th ultimo, stating the conditions upon which the Court had resolved to grant pecuniary aid to the Peninsular and Oriental Steam Navigation Company in furtherance of the steam communication with India.

In reply, I am commanded to acquaint you, that, under the expectation which your letter holds out to them, that the Steam Navigation Company will use every proper exertion in view to the establishment of the monthly communication, the Court will not object to Condition No. 2 being so far modified as not to require the performance of more than six voyages, at intervals not exceeding two months, between Suez and Calcutta, during the second year after the payment by the East India Company shall have commenced, the continuance of the grant after the second year being dependent on the fulfilment in other respects of the conditions specified in my letter of the 19th ultimo.

The Court concur in the construction put by the Steam Navigation Company upon that part of my letter which relates to the period for the commencement of the pecuniary grant, and they do not object to the vessels touching at all or any of the presidencies, as the directors of the Steam Navigation Company may desire.

As regards the supposed case of an unforeseen casualty arising to any of the vessels when on the proposed line, I am to state that the Court would not consider the pecuniary grant to be forfeited, provided they should be satisfied that *bond fide* exertions have been made to supply, with all practicable despatch, the deficiency thereby occasioned; and with respect to the proposition of the Steam Company, that "if war, the plague in Egypt, or other contingency, should arise to render the communication irregular, or temporarily to interrupt it, the grant shall not cease until 12 months after the occurrence of such event," the Court assent to such proposition, presuming always that the interruption to the communication be unavoidable, and that measures be taken to re-open it at the earliest opportunity.

I am, &c.

(signed) *James C. Melvill,*
Secretary.

James Allan, Esq.
Secretary, Peninsular and Oriental
Steam Navigation Company,
-51, St. Mary Axe.

Peninsular and Oriental Steam Navigation Company,
Offices, 51, St. Mary Axe, London, 7 May 1841

Sir,

I HAVE the honour to acquaint you that I have laid before the Board of Directors your letter of the 19th April, in which you state the concurrence of the Court of Directors of the Honourable East India Company in the modification proposed in Clause No. 2 in your letter dated 19th March, so far as not to require the performance of more than six voyages, at intervals not exceeding two months, between Suez and Calcutta, during the second year after the payment by the East India Company shall have commenced.

The Directors desire to express the high sense they entertain of the liberal views by which the Honourable Court has been actuated in this negotiation, and to tender their respectful acknowledgment for their concurring in the suggestions of this Company, as especially manifested in the Court's letter of the 19th April.

The Board feel persuaded that the unequivocal proof afforded by the Honourable Company of their patronage and support in this undertaking will tend materially to promote the object of steam communication between Calcutta and Suez, and must impress the friends of India generally with a deep sense of gratitude to the Honourable Court for the countenance thus afforded towards the completion of this important undertaking.

The Directors take this opportunity of mentioning, that since the receipt of your letter of the 19th April, they have contracted for another vessel, of 1,600 tons and 520 horse-power, with Messrs. Wilson and Messrs. Fawcett, of Liverpool,

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pool; thus affording the strongest evidence of the disposition of this Company to place themselves in the position to promote the regular monthly intercourse as soon as the same is found practicable.

I have, &c.

(signed) *James Allan,*
Secretary.

To J. C. Melvill, Esq., Secretary,
&c. &c. &c.

Peninsular and Oriental Steam Navigation Company,
Offices, 51, St. Mary Axe, London, 29 Sept. 1841.

Sir,

I AM desired by the Court of Directors to request that you will submit the following statement and proposition to the consideration of the Honourable the Court of Directors of the East India Company.

The anxious desire of the people of the western side of India for the immediate establishment of steam communication between Calcutta, Madras and Suez, has lately been forcibly pressed on the attention of the Directors, and they greatly regret that, notwithstanding every exertion, a considerable time must still elapse before this Company are prepared to carry on the communication with the East India Presidencies; and during this time the Government and the Indian community will continue deprived of all benefit from the measure, the early establishment of which they have long been expecting: to expedite this object, therefore, is the ground of the present proposal.

By the liberal arrangement made by the Honourable Court of Directors with this Company, the sum of 20,000 *l.* per annum has been agreed to be paid, which, under certain conditions, is to be continued five years, commencing from the time one steamer is established on the line. It is understood that in the course of 1842 one or more of the large steamers shall occupy that station; the number of trips to be according to circumstances for the first 12 months; that in the following 12 months at least six trips shall be performed, and that the continuance of the grant depends upon a monthly communication being established thereafter.

It seems very probable that a delay may take place in sending out the first steamer, owing, as the contractor states, to the long-continued wet weather, and that she cannot start sooner than August 1842, and that, therefore, the above arrangement cannot commence taking effect sooner than November or December 1842.

The Directors of this Company have lately been offered for purchase the India steam-ship now lying at Calcutta ready for immediate service; and though not so large as the vessels they are building, she is of sufficient power to make the voyage to and from Suez and Calcutta at all seasons.

The Court conceive that, by taking advantage of the offer referred to, the public benefit which must follow the opening of the line to the East India Presidencies may be anticipated by nearly 12 months.

The Court therefore propose, for the consideration of the Honourable the Court of Directors, that the grant of 20,000 *l.* shall commence from the date on which this Company may place the India steam-ship on the Calcutta and Suez line, but that the existing agreement of March and April 1841 shall not be disturbed in any of its details, it being clearly understood that the new arrangement now proposed does not pledge the Honourable Company to any payment exceeding in amount the annual grant for five years, already agreed to, the measure submitted being simply to open a communication with the Presidencies 12 months sooner than it can be done under other circumstances.

I have, &c.

(signed) *James Allan,*
Secretary.

P. S.—It is confidently expected that two of the large steam-ships now building will be in India towards the end of 1842.

James C. Melvill, Esq.
&c. &c. &c.

48 CORRESPONDENCE relative to ESTABLISHMENT OF

EXISTING ARRANGEMENT with the HONOURABLE EAST INDIA COMPANY.

"Hindostan" - -	December 1842 to 1843, on the line, say	* 1 voyage -	£. 20,000
"Hindostan" and "Bentinck" - - }	" 1843 " 1844 " " -	6 voyages	20,000
"Hindostan," "Ben- tinck" and another - }	" 1844 " 1845 " " -	12 " -	20,000
	" 1845 " 1846 " " -	12 " -	20,000
	" 1846 " 1847 " " -	12 " -	20,000
		43 " -	£.100,000

PROPOSED ALTERATION.

By the "India," anticipating by One Year the Communication, thus concluding the Period of the Grant in December 1846, instead of December 1847.

"India" - - -	December 1841 to 1842, on the line, say	* 1 voyage -	£. 20,000
"Hindostan" - -	" 1842 " 1843 " " -	1 " -	20,000
"Hindostan" and "Bentinck" - - }	" 1843 " 1844 " " -	6 voyages	20,000
"Hindostan," "Ben- tinck" and another - }	" 1844 " 1845 " " -	12 " -	20,000
	" 1845 " 1846 " " -	12 " -	20,000
	" 1846 " November 1847 -	11 " -	-
		43 " -	£.100,000

* One voyage only is expressed, being all that is recognized by the arrangement; but more may, and no doubt will, be performed within this time.

Peninsular and Oriental Steam Navigation Company,
Offices, 51, St. Mary Axe, London, 21 Oct. 1841.

Sir,

WITH reference to my letter of the 29th ultimo, I am instructed by the Court of Directors of this Company to state, for the information of the Honourable East India Company, that, should the India steam-ship now at Calcutta be admitted by the Honourable Court to enter into its liberal arrangement of March and April last, this Company will undertake to perform the same number of voyages between Suez and Calcutta as was contemplated in such arrangement, the period being extended as many months after the expiration of the five years as there may then remain unperformed voyages: the Honourable Court to make the last instalment payable in such manner as it may deem equitable and requisite for its assurance in the matter.

I have, &c.

(signed) *James Allan,*
Secretary.

James C. Melvill, Esq.
Honourable East India Company,
&c. &c. &c.

Peninsular and Oriental Steam Navigation Company,
Offices, 51, St. Mary Axe, London, 1 Nov. 1841.

Sir,

WITH reference to my letter of 29th September, I am desired by the Court to state, it is of the highest importance that a communication respecting the "India" steam-ship should go out to Calcutta by the mail of the 4th instant, to enable the Company to give the necessary instructions if that vessel is to occupy the line between

STEAM COMMUNICATION *between SUEZ and BOMBAY, &c.* 49

between Calcutta and Suez immediately, and therefore I am desired respectfully to press the matter on the early attention of the Court of Directors of the Honourable East India Company.

I have, &c.

(signed) *James Allan,*
Secretary.

Jas. C. Melvill, Esq.
Honourable East India Company,
&c. &c. &c.

Peninsular and Oriental Steam Navigation Company,
Offices, 51, St. Mary Axe, London, 9 Nov. 1841.

Sir,

I AM desired by the Board to acquaint you, for the information of the Court of Directors of the Honourable the East India Company, that they received intimation yesterday from Mr. M'Killop, one of the owners of the "India" steam-ship, that that vessel has been advertised to sail from Calcutta on 15th November for Suez, and that gentleman has further communicated the fact that the vessel in question has been purchased at Calcutta by other parties.

I beg to annex the advertisement from the "Times" as to the sailing of the "India."

I have, &c.

(signed) *James Allan,*
Secretary.

J. C. Melvill, Esq.
Secretary to the Honourable East India Company,
&c. &c. &c.

"Steam from Suez to Calcutta, Madras and Ceylon.—NOTICE is hereby given, that the splendid steam-ship, 'India,' of 1,200 tons and 320 horse-power, will positively leave Calcutta for Suez on the 17th instant, and will therefore arrive in the early part of next month at Suez, where she will remain to receive the passengers from England by the Peninsular and Oriental Company's steamer, 'Great Liverpool,' to sail from Southampton on the 1st of December. The 'India' on her way back to Calcutta will land passengers at Ceylon and Madras, and parties leaving England on the 1st prox^o may expect to reach Calcutta by the middle of January, thus accomplishing the voyage in six or seven weeks. Every information respecting this vessel will be given by James Barber & Co., 64, Cornhill, London. November 8th."

Sir,

East India House, 13 November 1841.

It being stated in your letter of the 9th instant that Mr. M'Killop, one of the owners of the steam-ship "India," has communicated to the Directors of the Peninsular and Oriental Steam Navigation Company the fact that the "India" has been disposed of at Calcutta, I am commanded by the Court of Directors of the East India Company to acquaint you, that it appears to them to be unnecessary to do more than acknowledge the receipt of your former letters of the 29th September and 21st ultimo.

I am, &c.

(signed) *J. D. Dickinson,*
Deputy Secretary.

James Allan, Esq.
Secretary to the Peninsular and Oriental
Steam Navigation Company,
51, St. Mary Axe.

Peninsular and Oriental Steam Navigation Company,
51, St. Mary Axe, London, 16 March 1842.

Sir,
I AM instructed by the managing directors of this Company to request you will represent to the Honourable the Court of Directors of the East India Company, that, desirous to evince the high sense they entertain of the favour and protection hitherto afforded to them by the Honourable Court, they wish to know if, in the present position of affairs in India, this Company (apart from profitable employ) can in any way be of service to the Honourable Company.

I have, &c.
(signed) *Jas. Allan,*
Secretary.

J. C. Melvill, Esq.

Sir, East India House, 30 March 1842.
I HAVE laid before the Court of Directors of the East India Company your letter, dated the 16th instant, inquiring whether, in the present position of affairs in India, the Peninsular and Oriental Steam Navigation Company can, apart from profitable employ, be of any service to the East India Company; and in expressing the acknowledgments of the Court of Directors for the obliging offer conveyed in your letter, I have their commands to acquaint you that the Court have no occasion to avail themselves of it.

I am, &c.
(signed) *J. C. Melvill,*
Secretary.

James Allan, Esq.

Peninsular and Oriental Steam Navigation Company,
Offices, 51, St. Mary Axe, London, 11 Aug. 1842.

Sir,
I HAVE the honour to acquaint you, for the information of the Court of Directors of the Honourable the East India Company, that the Board of Directors of this Company have desired me to suggest, that a competent officer, appointed by the Court, should proceed in the "Hindustan" steam-ship on the 24th September, as a passenger (without charge) to Calcutta, for the purpose of putting the Court in possession of an important report on the efficiency of the vessel for the navigation of the Indian seas.

The Board, bearing in mind the support which they have received from the Court of Directors of the Honourable East India Company, and which they can only attribute to the desire to encourage a measure of public and national importance, consider it proper to give the Court a full and fair opportunity of satisfying itself, that, as far as skill and science can insure success to the undertaking it has so countenanced, they have been made available by this Company for the object in view.

(signed) *James Allan,*
Secretary.

J. C. Melvill, Esq., East India House.

Sir, East India House, 25 August 1842.
I AM commanded by the Court of Directors of the East India Company to acknowledge the receipt of your letter of the 11th instant, wherein it is suggested that a competent officer, appointed by the Court, should proceed in the Peninsular and Oriental Company's steam-ship the "Hindustan," on the 24th September next, as a free passenger to Calcutta, for the purpose of putting the Court in possession of an impartial report on the efficiency of the vessel for the navigation of the Indian seas; and I am desired to acquaint you, in reply, that, whilst the Court duly appreciate the liberality of the Directors of the Peninsular and Oriental Steam Navigation Company on the present occasion, it is not their intention to avail themselves of the offer conveyed in your letter.

I am, &c.
(signed) *J. C. Melvill,*
Secretary.

To Jas. Allan, Esq.
Peninsular and Oriental Steam Navigation Company's Office,
51, St. Mary Axe.

Sir,

STEAM COMMUNICATION *between SUEZ and BOMBAY*, &c. 51

Peninsular and Oriental Steam Navigation Company,
Offices, 51, St. Mary Axe, London, 13 June 1843.

Sir,

REFERRING to my letter of the 3d April 1841, and to your reply thereto of the 19th of the same month, relative to the grant of 20,000*l.* per annum made by the Honourable East India Company to this Company, on consideration of opening and establishing a communication by steam navigation with the Eastern Presidencies of India, I am desired to state to you that this Company's steam-ship, the "Hindustan," of 520 horse-power, arrived at Calcutta on the 24th December 1842, to take up her station between Calcutta, Madras, Ceylon and Suez, and that therefore the Directors of this Company consider that the first half-year's instalment of the grant (10,000*l.*) becomes due on the 24th instant.

If the Directors are correct in this view of the subject, they will feel obliged by your submitting the same to the Honourable Court.

I have, &c.

(signed) *James Allan*,
Secretary.

J. C. Melvill, Esq.
&c. &c. &c.

Sir,

East India House, 22 June 1843.

I HAVE laid before the Court of Directors of the East India Company your letter of the 13th instant, reporting the arrival at Calcutta, on the 24th December last, of the Peninsular and Oriental Steam Navigation Company's steam-ship "Hindustan," for the purpose of taking up her station between that Presidency, Madras, Ceylon and Suez, and submitting that the first half-year's instalment of the grant to be made by the East India Company, in furtherance of steam communication with India, will fall due on the 24th instant.

In reply, I am commanded to state that, agreeably to the conditions of the grant, the Court have passed a warrant for the amount of such instalment, namely, Ten thousand pounds (10,000*l.*), in favour of the Peninsular and Oriental Steam Navigation Company, and that the same may now be received.

I am, &c.

(signed) *James C. Melvill*,
Secretary.

James Allan, Esq.
Secretary to the Peninsular and Oriental
Steam Navigation Company.

Peninsular and Oriental Steam Navigation Company,
Offices, 51, St. Mary Axe, London, 29 Dec. 1843.

Sir,

I BEG to mention, that the second half-yearly payment of 10,000*l.* from the Honourable the East India Company to this Company is now due; and the Directors will feel obliged by your doing the needful in the matter at your convenience.

I have, &c.

(signed) *James Allan*,
Secretary.

J. C. Melvill, Esq.
&c. &c. &c.

Sir,

East India House, 4 January 1844.

IN reply to your letter of the 29th ultimo, I am commanded to state, that the Court of Directors have passed a warrant in favour of the Peninsular and Oriental Steam Navigation Company for Ten thousand pounds (10,000*l.*), being the second half-yearly instalment, due on the 24th ultimo, of the grant by the East India Company in furtherance of steam communication with India.

The said warrant is now receivable.

I am, &c.

(signed) *James C. Melvill*,
Secretary.

James Allan, Esq.
Secretary to the Peninsular and Oriental
Steam Navigation Company.

Peninsular and Oriental Steam Navigation Company,
 Offices, 51, St. Mary Axe, London, 1 July 1844.
 Sir,
 I BEG to remind you, that the third half-yearly payment of 10,000*l.* from the Honourable East India Company to this Company is now due; and the Directors will feel obliged by your doing the needful in the matter at your convenience.

I have, &c.
 (signed) *Jas. Allan,*
 Secretary.

J. C. Melvill, Esq.
 &c. &c. &c.

East India House, 4 July 1844.
 Sir,
 I AM commanded to state, that the Court of Directors have passed a warrant in favour of the Peninsular and Oriental Steam Navigation Company for Ten thousand pounds (10,000*l.*), being the third half-yearly instalment due on the 24th ultimo, of the East India Company's grant in furtherance of steam communication with India.

The said warrant is now receivable.

I am, &c.
 (signed) *James C. Melvill,*
 Secretary.

James Allan, Esq.
 Secretary to the Peninsular and Oriental
 Steam Navigation Company.

Peninsular and Oriental Steam Navigation Company,
 2 January 1845.
 Sir,
 I AM desired to mention, that the fourth half-yearly payment of 10,000*l.* under the grant from the Honourable East India Company to this Company is now due; and the Directors will feel obliged by your doing the needful in the matter at your early convenience.

I have, &c.
 (signed) *C. H. Howell.*

James C. Melvill, Esq.
 &c. &c. &c.

East India House, 4 January 1845.
 Sir,
 IN reply to Mr. Howell's letter of the 2d instant, I am commanded to acquaint you, that the Court of Directors of the East India Company have passed a warrant in favour of the Peninsular and Oriental Steam Navigation Company for the sum of Ten thousand pounds (10,000*l.*), being the fourth half-yearly payment now due under the grant by the East India Company.

I am, &c.
 (signed) *James C. Melvill,*
 Secretary.

James Allan, Esq.
 Secretary to the Peninsular and Oriental
 Steam Navigation Company.

CORRESPONDENCE between the COURT of DIRECTORS of the EAST INDIA COMPANY and the PENINSULAR and ORIENTAL STEAM NAVIGATION COMPANY, regarding the Offer by the Latter to contract for carrying on the Steam Communication between *Suez and Bombay*, and between *Suez and Calcutta, &c.*

Peninsular and Oriental Steam Navigation Company,
Offices, 51, St. Mary Axe, London, 22 Aug. 1843.

Sir,

I AM desired by the Directors of this Company to request you will submit to the Court of Directors of the Honourable the East India Company a plan and proposal for accelerating the transmission and reducing the expense of conveyance by the overland route of the mails and despatches between the United Kingdom and India, China, &c., to commence in 1844; and the Directors are ready to enter into contract with the East India Company for the performance of the proposed service between Suez and Bombay (under the usual guarantees and penalties) for the sum of 80,000*l.* a year.

From a recent Parliamentary Paper, moved for by Mr. Hume, No. 301, "Steam Navigation to India," it appeared to the Directors that the annual expense of carrying on the mail communication between Suez and Bombay by your Honourable Company did not cost less than 140,000*l.*, including wear and tear, insurance, &c., on a capital of 301,000*l.*, invested in eight vessels, stated by that paper to have been employed by the Honourable the East India Company in this service. The Directors have, however, been informed, that four vessels are now considered sufficient for the duty, and that the capital employed by the Honourable the East India Company does not exceed 150,000*l.*; it would, therefore, be inferred, if this data be correct, that the service does not actually cost more than about 110,000*l.* per annum, which figure would, of course, be increased, did any circumstance occur to reduce the annual amount of passage-money received by the Honourable East India Company between Bombay and Suez. It would, therefore, appear, that by adopting the tender now proposed by this Company, an annual saving of not less than 30,000*l.* would be effected.

The Directors desire me to state, that the plan of acceleration which they now propose is based upon the experience acquired by three years' service, and the performance of upwards of 210,000 miles of steam navigation with large class vessels belonging to the Company; and they feel persuaded that they have understated the results which may be obtained by their superior vessels intended for the Indian Seas.

The Company is under a penalty of 8,000*l.* for the due and faithful performance of their contract for carrying the Indian mails to and from Alexandria, and a similar guarantee would not be objected to by the Directors if the mails between Suez and Bombay be entrusted to them. In such case the Honourable East India Company's despatches would, of course, be conveyed in this Company's vessels, in charge of officers in the employment of the Honourable Company, free of any expense.

The Directors desire to add, that, as both time and money may be saved by the plan now proposed, it is their hope that the Court of Directors of the Honourable East India Company will admit that, if adopted, it will bring the service nearer to perfection than has yet been accomplished.

I have, &c.
(signed) *Jas. Allan,*
Secretary.

J. C. Melvill, Esq.
&c. &c. &c.

A PLAN and PROPOSAL for accelerating the Transmission and reducing the Expense of the Conveyance by the "Overland Route" of the MAILS and DESPATCHES between the United Kingdom and India, China, &c., by the PENINSULAR and ORIENTAL STEAM NAVIGATION COMPANY.

THE Peninsular and Oriental Steam Navigation Company propose to undertake the transmission of the mails between Bombay and Suez monthly by vessels of such a speed as to insure, under ordinary circumstances, the arrival of the mails despatched from Bombay on the first of every month (the monsoon months excepted), at Suez on the 16th of every month.

They will also undertake the conveyance of that portion of the monthly mails destined for transmission through France, *viâ* Marseilles, by vessels of such a speed as to insure, under ordinary circumstances, their arrival at Marseilles within 144 hours or six days from their embarkation at Alexandria; the mails from the United Kingdom to India, &c. to be transmitted within a similar time.

The result of this proposed acceleration would be as follows :

The mails despatched from Bombay on the 1st of the month would arrive at Suez on the 16th, or in	- - - - -	15 days.
They would be brought across Egypt and embarked at Alexandria in	- 3 "	
They would consequently be embarked at Alexandria on the 19th of the month, and would arrive at Marseilles on the 25th, or in	- - - 6 "	
Total time from Bombay to Marseilles	- - -	24 days.
" Marseilles to London, say	- - - 4 "	
<i>(N.B.—The mail of this month, July, arrived in London in 3½ days from Marseilles.)</i>		
Total Time from Bombay to London	- - -	28 days.

It therefore follows that the mails would, under all ordinary circumstances, arrive in London on the 29th of every month; and the Company have such confidence in their ability to effect this acceleration, that they will submit to a forfeiture of 1,000*l.* for every time that the mails despatched from Bombay on the 1st, are not conveyed by their vessels, so far as the respective sea voyages are concerned, say between Suez and Bombay, and between Alexandria and Marseilles, both lines inclusive, in 22 days, the monsoon months, as before mentioned excepted, and also accidents at sea, which cannot be provided against.

THE OUTWARD MAILS.

As the heavy part of the mails conveyed by steam-vessels on the whole route between England and Alexandria, *viâ* the Straits of Gibraltar, are, it is understood, about to be embarked and delivered at Southampton, instead of Falmouth, an acceleration on this route of about 24 hours will be gained by that arrangement, and the vessel, leaving Southampton on the 1st of the month, would, allowing for the usual stoppage at Malta, arrive, under ordinary circumstances, at Alexandria on the morning of the 17th.

The time of transmitting the mails between London and Alexandria *viâ* Marseilles being reduced by the proposed plan to 10 days, it would not be necessary to despatch that part of the mails until the evening of the 6th of the month, which would enable the steamer from Marseilles to Alexandria to reach Alexandria on the same day as the steamer from Southampton *viâ* Gibraltar. Hence an interval of six or seven days would be afforded for replying to letters and despatches by the overland outward mail *viâ* France, instead of correspondents having to wait for the outward mail of the following month, as is now the case, and giving ample time for that purpose not only to London, but to Liverpool, Manchester, Birmingham, Glasgow, and, in short, to all the great commercial and manufacturing towns in the Kingdom.

ADVANTAGES as regards the HOMEWARD MAILS from India.

The plan herein proposed, besides saving a month in the communication from the United Kingdom to India, would also gain a month's time in the homeward communication to England from Calcutta, and other places in India of a similar distance from Bombay, as shown by the following facts :

The mails despatched from London on the 4th of the month seldom reach Calcutta until after the dawn for Bombay, with the homeward mails for Europe, has departed, consequently, the letters and despatches from England, &c. cannot be replied to until the next month's mail.

For

. STEAM COMMUNICATION *between SUEZ and BOMBAY, &c.* 55

For example :

The overland mails despatched from London, from January 1842 to March 1843, arrived at Calcutta, and the homeward mails were despatched from Calcutta and arrived at London, as shown in the following Table :

Left London.	Arrived at Calcutta.	Dawk left Calcutta.	Mail arrived in London.
1842 :	1842 :	1842 :	1842 :
4 January - - -	23 February.	19 February - -	5 April.
4 February - - -	23 and 25 March.	21 March - - -	5 May.
4 March - - -	18 April.	21 April - - -	6 June.
6 April - - -	22 May.	12 May - - -	4 July.
6 May - - -	17 June.	8 June - - -	4 August.
4 June - - -	17 and 20 July.	7 July - - -	3 September.
6 July - - -	19 August.	13 August - -	8 October.
4 August - - -	19 September.	19 September -	8 November.
6 September - -	21 October.	20 October - -	6 December.
4 October - - -	24 November	20 November -	1843 :
4 November - -	23 December.	23 December -	9 January.
6 December - -	1843 :	1843 :	7 February.
	24 January.	23 January - -	13 March.
1843 :			
6 January - - -	22 February.	20 February -	7 April.
6 February - - -	24 March.	23 March - - -	8 May.
4 March - - -	23 April.	22 April - - -	6 June.

It appears from the above, that, out of 15 mails, only one instance occurred in which the mail arrived at Calcutta in time to admit of letters being replied to by the homeward mail of the same month; that only one instance occurred of the inward mails arriving in London one day previous to the 4th of the month, the regular day for despatching the outward mail *viâ* France; and that although seven outward mails were postponed two days beyond the usual time, only five opportunities were thereby obtained for replying to letters by the outward mails of the same month, which opportunities could only be availed of from London, and not from any other part of the kingdom.

From the time required to transmit the mails under the proposed accelerated arrangements by the Peninsular and Oriental Steam Navigation Company, *viz.* 29 days, the mails despatched, according to that arrangement, on, say, the 6th January 1844 (instead of the 4th, as at present), would arrive at Bombay on the 5th February, and at Calcutta on the 15th February; thus affording, as will be seen by reference to the dates of despatching the homeward mails from Calcutta, as exhibited in the preceding Table, from five to eight days for replying to letters by the homeward mails of the same month, the monsoon months not included.

It therefore follows, that Calcutta and all places in India similarly situated would gain, under the proposed plan, a month in the homeward communication to England, as well as a month on the outward communication from England, thus affording an aggregate acceleration of two months in the intercourse to and from the most important part of India.

EXAMPLE.

Under the present arrangements the merchant in London who wrote to his correspondent in Calcutta by the mail of the 4th February 1842 (*vide* the foregoing Table), could not receive a reply until the 6th June, which reply being too late to be answered by the outward mail of that month (despatched on the 4th), his correspondent at Calcutta could not get an acknowledgment of the same until the arrival of the July mail at Calcutta, which did not take place until the 19th August.

Under the proposed arrangements by the Peninsular and Oriental Steam Navigation Company, the merchant writing from London would gain a month, and the merchant writing from Calcutta would also gain a month, as compared with the existing arrangements.

SUMMARY of Advantages of the proposed PLAN, as compared with the present ARRANGEMENTS.

1. A gain of one month in the communications from the United Kingdom to India.
2. A gain of two months in the communication between, say, to and from the United Kingdom and Calcutta.
3. A saving in the public expense of not less than 30,000 *l.* per annum, as shown in the accompanying letter of tender proposing the terms for undertaking the accelerated service.

For the Peninsular and Oriental Steam Navigation Company,

(signed) *James Allan,*
Secretary.

London, 51, St. Mary Axe,
23 August 1843.

Peninsular and Oriental Steam Navigation Company,
Offices, 51, St. Mary Axe, London, 24 Oct. 1843.

Sir,
REFERRING to my letter of the 22d August last, transmitting, by order of the Directors of the Peninsular and Oriental Steam Navigation Company, a proposal for accelerating the transmission and reducing the expense of the conveyance of the overland mails to and from India, the Directors, conceiving that the information therein stated may not have been sufficiently explicit to enable the Court of Directors of the Honourable East India Company to come to a decision in respect to it, I am directed now to transmit to you a detailed statement, showing the mode which this Company propose to adopt, and the means which they are prepared to employ, for executing the service.

I have, &c.
(signed) *James Allan,*
Secretary.

J. C. Melvill, Esq.,
Secretary to the Honourable East India Company.

DETAILED EXPLANATION of the Means and Mode of effecting the accelerated Transmission of the *East India* Mails and Despatches on that Part of the Route between *Bombay* and *Suez* proposed to be undertaken by the PENINSULAR and ORIENTAL STEAM NAVIGATION COMPANY, combining therewith, for the year 1844, a Two-monthly Steam Communication with *Calcutta* and *Madras*, agreeably to the existing Arrangement to that Effect between that COMPANY and the Honourable EAST INDIA COMPANY.

MEANS to be provided for executing the SERVICE :

For the *Suez*, *Bombay* and *Calcutta* line :

1. The steam-ship "*Hindustan*," 1,800 tons, 520 horse-power.
2. " "*Bentinck*," 1,800 " "
3. " "*Precursor*," 1,800 " "

Subsidiary vessel to be stationed at *Bombay* :

4. The steam-ship "*Lady Mary Wood*," 650 tons, 260 horse-power.

5. The "*Pacha*," built this year, of iron, and fully equal to the speed of the "*Lady Mary Wood*," would also be proposed as an additional subsidiary vessel, to be stationed, if required, at either *Suez* or *Aden*.

These three vessels, No. 1, 2, and 3, are amply sufficient, as will presently be shown, to maintain a monthly communication between *Suez* and *Bombay*, and also a two-monthly communication between *Suez*, *Bombay*, *Madras* and *Calcutta*.

In order, however, to provide against contingencies, the Peninsular and Oriental Company propose to have their steam-ship "*Lady Mary Wood*" stationed at *Bombay*, as a subsidiary vessel, to be held in readiness to start at the fixed time with the mails, should any accident prevent either of the three working vessels from being ready to proceed with them.

The "*Lady Mary Wood*" has only been in service about 18 months, is well known as the fastest vessel on the Peninsular station, has conveyed the *East India* mails to and from *Alexandria*, on which service she proved herself to be equal in speed to the regular vessels, the "*Oriental*" and "*Great Liverpool*," engaged in the mail contract service in the *Mediterranean*.

With these means, it is submitted that the public would have every security against an interruption of the communication which human foresight could reasonably be expected to provide.

In working the proposed plan, it is intended that the "*Hindustan*" and "*Bentinck*" shall each perform three voyages alternately, or 30,600 miles each vessel annually, making six voyages in all during the year, at intervals of two months, between *Calcutta*, *Madras*, *Ceylon*, *Bombay* and *Suez*; that they shall be at *Bombay* in readiness on the 1st (the monsoon months excepted, as hereafter explained) for despatching the homeward mails, and shall call at *Bombay* to deliver the outward mails.

That the "*Precursor*" shall be stationed at *Bombay*, and perform six voyages to and from *Bombay* and *Suez*, only intermediately to those of the *Hindustan* and *Bentinck*, thus completing the twelve voyages or monthly communication for the mail between *Bombay* and *Suez*.

As one of the homeward voyages of the vessels on the *Calcutta* line will occur during the south-west monsoon, it is suggested that the subsidiary vessel shall on that occasion proceed with the *Bombay* mail to *Point de Galle*, *Ceylon* or *Colombo*, to meet the *Calcutta* steamer, and deliver to the latter the mails, proceeding thence to *Aden*, where she should be waiting in readiness to convey to *Bombay* the outward mail from *England*.

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The Calcutta steamer would thus be able to proceed direct from Ceylon to Aden, avoiding the impediment of the monsoon, and would return with the outward mails direct from Aden to Ceylon, Madras and Calcutta; and although the Bombay mail homeward would, on this occasion, have to be despatched a few days in advance of the 1st of the month, as is now the case, an acceleration would be gained for the Calcutta, Madras and Ceylon mails, which during that period might all be despatched and received direct by the steamers at these places, instead of going and coming by dawk *viâ* Bombay.

The work assigned under this plan to the vessels on the Indian seas' route is less in proportion than that performed by the vessels of less power on the route between Southampton and Alexandria.

The distance from Southampton to Alexandria, touching at Falmouth, is 3,114 miles.

The distance from Suez to Bombay is - - - - - 2,940 „

Or less than that from Southampton to Alexandria by - - - - - 174 „

The "Oriental" and "Great Liverpool" have for upwards of three years done the greater distance, viz. 74,736 miles annually, between Southampton and Alexandria.

It is proposed that the "Precursor" shall do one-half of the distance between Suez and Bombay annually, say 35,280 miles, which is also less than the distance performed by the "Oriental" or "Great Liverpool," having the subsidiary vessel, the "Lady Mary Wood," stationed at Bombay in case of need.

The distance from Suez to Calcutta, calling at Bombay, may be put down at 5,100 miles, or 10,200 miles for each voyage there and back.

Each of the two vessels destined for that line would have four months' time, or say 120 days, in which to do this distance, viz., 10,200 miles, and be in port for preparation for the next trip.

Taking the average speed of these vessels at nine knots or miles per hour, which is less than the speed of either the "Hindustan" or "Bentuck," as already ascertained, it would require 1,133 hours, or say 47 days of actual steaming for each voyage from Suez to Calcutta and back, and, if 18 days be added for stoppages at the different ports on the outward and homeward passages, 65 days in all will only be consumed on each voyage, leaving 55 days in port, which would be more than ample for cleaning boilers, engines, &c. for next voyage, and would even afford time for repairing serious damages, should such be required.

The accompanying Tables show the working of the mail communication under the proposed plan, supposing the service to commence in the year 1844.—[See the accompanying Tables (A.) and (B.)]

In making the proposal for undertaking the mail service between Bombay and Suez, submitted in their letter addressed to the Chairman and Deputy Chairman of the Honourable East India Company, dated 22d August last, the Directors of the Peninsular and Oriental Steam Navigation Company understand the arrangements for carrying out the steam communication with Madras and Calcutta to rest on the basis established by Mr. Secretary Melvill's letter of the 19th April 1841, addressed to their Secretary Mr. Allan.

They also desire to state, that, although the steam-ship "Precursor" is not as yet the property of the Peninsular and Oriental Steam Navigation Company, she is under offer to them for 55,000 £, and will be purchased, provided this Company's proposal for undertaking the mail service referred to be accepted, otherwise she would at present be of no use to the Company.

And in the event of any circumstance preventing the Company from procuring the "Precursor," they have at their disposal a new steam-vessel now receiving her engines, of equal speed to the "Precursor," and adequate to the duty guaranteed by this Company's proposal.

By order of the Court of Directors of the Peninsular and Oriental Steam Navigation Company.

(signed) *James Allan,*
Secretary.

51, St. Mary Axe, 24 October 1843.

TABLE (A.)—HOMEWARD ROUTE.

No. of Mail.	NAME of SHIPS.	Date of Departure from					Date of Arrival under ordinary Circumstances :				Date of Despatch of Outward Mails.	Interval of Replying to Letters.
		CALCUTTA.	MADRAS.	CEYLON.	BOMBAY.	ADEN.	SUEZ.	ALEXANDRIA.	MARSEILLES.	LONDON.		
1	Bentnck - - -	1843: Dec. - 15	1843: Dec. - 20	1843: Dec. - 24	1844: January - 1	1844: Jan. - 9	1844: Jan. - 16	1844: Jan. - 19	1844: Jan. - 25	1844: Jan. - 29	1844: Feb. - 6	8 days.
2	Precursor - - -	- - -	- - -	- - -	Feb. - 1	Feb. - 9	Feb. - 16	Feb. - 19	Feb. - 25	Feb. - 29	March - 6	6 "
3	Hindustan - - -	1844: Feb. - 13	1844: Feb. - 18	1844: Feb. - 22	March - 1	March - 9	March - 16	March - 19	March - 25	March - 29	April - 6	8 "
4	Precursor - - -	- - -	- - -	- - -	April - 1	April - 9	April - 16	April - 19	April - 25	April - 29	May - 6	7 "
5	Bentnck - - -	April - 15	April - 20	April - 24	May - 1	May - 9	May - 16	May - 19	May - 25	May - 29	June - 6	8 "
6	Precursor - - -	- - -	- - -	- - -	* May - 25	June - 8	June - 16	June - 19	June - 25	June - 29	July - 6	7 "
7	Hindustan - - -	June - 18	June - 23	June - 27	See note † -	July - 9	July - 17	July - 20	July - 26	July - 30	Aug. - 6	7 "
8	Precursor - - -	- - -	- - -	- - -	* July - 25	Aug. - 8	Aug. - 16	Aug. - 19	Aug. - 25	Aug. - 29	Sept. - 6	8 "
9	Bentnck - - -	Aug. - 15	Aug. - 20	Aug. - 24	Sept. - 1	Sept. - 9	Sept. - 16	Sept. - 19	Sept. - 25	Sept. - 29	Oct. - 6	7 "
10	Precursor - - -	- - -	- - -	- - -	Oct. - 1	Oct. - 9	Oct. - 16	Oct. - 19	Oct. - 25	Oct. - 29	Nov. - 6	8 "
11	Hindustan - - -	Oct. - 15	Oct. - 20	Oct. - 24	Nov. - 1	Nov. - 9	Nov. - 16	Nov. - 19	Nov. - 25	Nov. - 29	Dec. - 6	7 "
12	Precursor - - -	- - -	- - -	- - -	Dec. - 1	Dec. - 9	Dec. - 16	Dec. - 19	Dec. - 25	Dec. - 29	1845: Jan. 6	8 "

* Six days extra allowed for the monsoon.

† The subsidiary vessel to take the Bombay mail to Point de Galle, and there transfer it to the "Hindustan," which proceeds direct for Aden, bringing news from Calcutta down to the 18th of June, being 10 days later than the usual mail *via* Bombay at this season of the year. After coaling, &c., at Ceylon, the subsidiary vessel proceeds to Aden to await the arrival there of the mails from England, which she takes from the "Hindustan," and proceeds with to Bombay.

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TABLE (B).—OUTWARD ROUTE.

Mails leave London	- - - - -	6th of the month.
" Marseilles	- - - - -	10th "
" Alexandria	- - - - -	17th "
" Suez	- - - - -	20th "
Arrive at Bombay	- - - - -	6th of the following month.
" Calcutta by dawk	- - - - -	15th "
Dawk leaves Calcutta with the homeward mails	- - - - -	20th "

Giving to Calcutta an interval of five days for answering letters.

Peninsular and Oriental Steam Navigation Company,
Offices, 51 St. Mary Axe, London, 11 Jan. 1844.

Sir,

I HAVE the honour to acquaint you, for the information of the Court of Directors of the Honourable East India Company, that the Directors of this Company have concluded a conditional purchase of the "Precursor" steam-ship, of 520 horse-power, and 1,800 tons burthen, built for the navigation of the Indian seas, and they are now receiving specifications for the construction of a fourth vessel of similar size and power.

Referring to the communications from this Company of the 22d August and 24th October last, and the plan for accelerating the transmission of the Indian mails, then submitted to the Court of Directors of the Honourable East India Company, and also to Her Majesty's Government, I am directed now to state, that, in consequence of the numerous suggestions since received by the Directors on this subject, and the strong feeling expressed both in India and England, they have felt it their duty to consider the practicability of a monthly line of steam communication being also established between Suez, Ceylon, Madras and Calcutta, thereby essentially improving and extending the facilities for carrying on the mail service, and affording additional means in the Indian seas for guarding against any casualties which otherwise might interrupt the communication.

Such a measure appears to be loudly called for by all parties interested in improving the important mail communication with the East Indies and China, and the Directors consider that it may now be attained at a moderate cost, contrasted with the great public advantages which must follow the adoption of such a comprehensive plan.

The Directors are also aware, that it is a measure at this time earnestly pressed upon the attention of Her Majesty's Government, as well as on the Honourable Company, by various influential parties connected with India and the important trade opening to China, and they have reason to feel persuaded that it must have originally been contemplated by the Court of Directors of the East India Company in April 1840, when the conditional arrangement was entered into with this Company for the opening of the direct line to and from Suez and Calcutta.

At that period the Honourable Company distinctly stated their wish that a monthly steam communication with Madras and Calcutta should be established in the third year of this Company's operations in the Indian Seas, making their grant of 20,000 *l.* for the third year conditional on such service being performed.

The Directors of this Company, feeling the responsibility of the weighty undertaking in which they were about to embark, and that a monthly line would not cost a less annual amount than 200,000 *l.*, including establishments ashore and afloat (which subsequent experience has confirmed), in their correspondence at that period distinctly stated it to be their impression, that a mail contract could alone afford a prospect of remuneration for such an annual expense as this Company would have been subjected to had they entered into such an engagement.

The Court of Directors of the Honourable Company, at the period alluded to, stated, as one of the conditions involved in the arrangement (Fourth Clause), "That, in the event of the East India Company wishing, within the period of five years, to enter into any contract for the conveyance of the mails, the pecuniary contribution agreed to should merge in the sum that might be payable under such contract."

The Directors of this Company, bearing this condition in remembrance, and with a view to effect the object which they conceive dictated it, namely, to secure

an improved monthly communication with Great Britain, and all the East India Presidencies, and finding, after past experience, the hopelessness of carrying on a monthly steam communication without such aid, have maturely considered the question, and have prepared a plan for that object, which is herewith submitted to the Honourable Court.

The Directors have put this Company in the position to enable it to carry out such a plan promptly and efficiently, and they are persuaded that the highest authorities in the country will admit, that with the means proposed, and now at the disposal of this Company, this plan is perfectly feasible, and may be carried out with the regularity which such a service demands.

In reference to the terms of remuneration for such service, the Directors will be willing to undertake it at a mileage rate, not exceeding that already proposed for the mail service between Bombay and Suez, which is considerably under the rate the present mail packet establishment of vessels of the East India Company cost, although they are each considerably less than half the size of those proposed by this Company for the service in question.

Should the Court of Directors think fit that the line between Aden and Bombay should continue to be performed by the Honourable Company's vessels, and that in the Red Sea be entrusted to the Peninsular and Oriental Steam Navigation Company, the saving in the distance to be navigated by the former would be about 32,000 miles annually, which would be attended with a considerable saving of expense, especially from its being the most expensive end of the line.

The plan herewith submitted is drawn up on the supposition that the Red Sea service may be advantageously performed by this Company's vessels; but this point they leave for the consideration of the Court of Directors, as involving so important a question in the expense; they desire me to add, that they are prepared with the means either to carry out the plan already before the Court, or the one now submitted.

I have the honour respectfully to request, that you will submit this communication to the Court of Directors at an early opportunity; and should the details I have given be insufficient to enable the proposition to be fully considered, a deputation of the Directors will be prepared to offer any further explanation that may be required by the Chairman or Deputy Chairman of the Honourable Company.

I have, &c.

J. C. Melvill, Esq.

(signed) *Jas. Allan*, Secretary.

No. 1.

PLAN for establishing a direct Monthly Communication for Conveyance of Her Majesty's Mails and Government Despatches, by means of Steam-Vessels of 520 Horse-power, between *Suez, Calcutta, Madras, Ceylon* and *Aden*, thereby expediting the Delivery of the *Indian* Mails, so as to enable the Mails to reach *London*, on an Average, Seven Days before the Departure of the Monthly Mail for *India*; the Delivery of the Mails at *Calcutta, Madras* and *Ceylon*, from *England*, to be also accelerated, so as to reach *Calcutta* Five or Six Days before the Mail leaves that Place for *England*.

N. B.—The vessels for this service, the "*Hindustan*," "*Bentuck*" and "*Precursor*," are already built, and ready to be employed in carrying it out within nine months after the date of a contract being entered into for the contemplated object.

It is proposed that one of the vessels named shall start from the Sand Heads, off *Calcutta*, on the 20th of each month, with mails, &c., for *Madras, Ceylon* and *England*, arriving at *Madras* in or under 96 hours, say on the 24th; remain at *Madras* 12 hours, and thence proceed to *Point de Galle* in 70 hours; remain for coaling at *Point de Galle* 24 or 48 hours, and thence proceed direct to *Aden*; coal there, and wait at that station for the arrival of the *East India* Company's mail steam-packet from *Bombay*, which vessel should reach *Aden*, say on the 9th of each month, and remain there until the return of the *Peninsular* and *Oriental* Company's steamer from *Suez*. The steam-vessel of the *Peninsular* and *Oriental* Company should then immediately proceed with the mails (including those brought from *Bombay*) to *Suez*, reaching that port not later than the 16th of each month. The transit of the mails through *Egypt* may be effected under 60 hours, and the *Peninsular* and *Oriental* Company would, under an arrangement to be entered into with Her Majesty's Government, provide a powerful new steamer of first-rate speed to convey the mails and despatches from *Alexandria* to *Marseilles* (1,500 miles) in six days and a half. The time employed in conveying the mails through *France* is under four days, and they would, consequently, arrive in *London* on the 29th of each month.

Under

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Under such arrangements as the foregoing points out, it would be wholly unnecessary to despatch the India mails from London *via* France sooner than the 6th of each month; they would reach Marseilles on the 10th, and there be put on board the Peninsular and Oriental Company's steamer in waiting for them, proceed direct to Alexandria, and arrive there on the 17th of each month, on which day the steam-vessel direct from Southampton *via* Gibraltar and Malta would also reach that port. On the 20th the mails would be on board the Peninsular and Oriental Company's vessel at Suez, reach Aden on the 26th, and at that port the mails for Bombay, &c., would be placed on board the East India Company's steam-vessel lying in readiness there to proceed direct to Bombay.

The Peninsular and Oriental Company's steam-ship would there coal, and start on the 27th, arrive at Point de Galle on the 6th or 7th, at Madras on the 10th or 11th, and at Calcutta on the 14th or 15th of each month, leaving five or six days for answering letters, before the despatch of the next monthly steamer from Calcutta with the mails and despatches.

During the monsoon months, June, July and August, some trifling deviation would be necessary from the foregoing plan; but not such as to prevent letters being answered by the return mail from each end, say from Calcutta and from England.

London, 11 January 1844.

(signed) *J. Allan,*
Secretary.

No. 2.

ESTIMATE for MAIL SERVICE in *Indian Seas*, prepared by the PENINSULAR and ORIENTAL STEAM NAVIGATION COMPANY.

THE distance to be annually performed, according to the Plan herewith (*see* No. 1), is estimated at 115,200 miles, namely, monthly, between Calcutta and Suez, touching at Madras, Ceylon and Aden.

It is generally understood that the service performed by the vessels of the Honourable East India Company (on an average of 230 horse-power each) between Bombay and Suez, say 72,000 miles annually, costs 110,000 *l.*, which is equal to 30 *s.* per mile, after deducting all receipts from passengers and parcels.

As the Peninsular and Oriental Company would undertake to perform 115,200 miles annually with vessels of 520 horse-power (more than double the size of those now employed) the proportionate annual payment at the rate of expenditure by the East India Company would be 172,800 *l.*, for their vessels of 230 horse-power each.

The Peninsular and Oriental Company would, however, undertake, subject to the usual penalties, to provide the number of vessels named of 520 horse-power, and perform the service faithfully and effectually for 22 *s.* per mile, entering into a contract for seven or ten years to that effect.

They would also provide, if required, a supplemental vessel of 230 horse-power at Calcutta, to be available in case of any contingency.

The Honourable East India Company to provide a supplemental vessel for the same purpose at Aden, which arrangement they have lately adopted; and it would therefore only be necessary to continue the same.

London, 11 January 1844.

(signed) *Jas. Allan,*
Secretary.

Peninsular and Oriental Steam Navigation Company,
Offices, 51, St. Mary Axe, London, 30 March 1844.

Sir,
I HAD the honour, on the 22d August 1843, by order of the Directors of this Company, to address a letter to you, proposing a plan for accelerating the India mail communication, and a second letter, on the 11th January 1844, offering also to complete a monthly direct line of steam communication between Calcutta, Madras and Suez, by means of first-rate steam-vessels.

The Directors of this Company are aware that the extent of the details submitted in these proposals called for much consideration and investigation preparatory to any decision upon the important questions they involved; but as much anxiety is felt in this country on the subject, and some impatience in India, as appears by public meetings held in Calcutta and Madras, the results of which were made known on arrival of the India mails in February and March last, and as there are many important arrangements to be made, both there and at home, contingent upon any decision that may be come to in this matter, the Directors trust they may be permitted, without any appearance of a desire to precipitate the deliberations of the Honourable Company, respectfully to ask whether the consultations upon these questions are so far advanced to maturity as to hold out an expectation that before the departure of the next mail the Oriental Steam Company may be enabled to make such communications for the guidance of their

62 CORRESPONDENCE *relative to* ESTABLISHMENT OF

agents abroad, in reference to their plans now before the Court of Directors, as would obviate the very serious inconvenience that must otherwise attach to the Company's arrangements in the distant part of the world in which this branch of their operations are carried on.

I have, &c.
(signed) *Jas. Allan,*
Secretary.

Jas. C. Melvill, Esq.

Sir, East India House, 29 May 1844.
Your letters of the 22d August, 24th October, 11th January and 30th March last, having been duly submitted to the Court of Directors of the East India Company, I have received their commands to inform you, in reply, that they decline to transfer to any other agency the mail service between Bombay and Suez, and that they cannot therefore entertain the proposal you have submitted, on the part of the Peninsular and Oriental Steam Navigation Company, to enter into a contract for the performance of that particular service.

The Court desire me to suggest, that such portions of your letters as relate to the acceleration of the mail service between Malta and Marseilles, and the establishment of a mail communication between Calcutta and Suez, should be addressed to the Lords Commissioners of the Admiralty, who, as the Court have been informed, have the subject under their consideration.

I am, &c.
(signed) *Jas. C. Melvill,*
Secretary.

Jas. Allan, Esq.
&c. &c. &c.

CORRESPONDENCE between the late PRESIDENT of the INDIA BOARD (Lord Ripon) and the CHAIRMAN and DEPUTY CHAIRMAN of the EAST INDIA COMPANY, regarding the MAIL CONTRACT for the *Calcutta, Suez and Hong Kong* Line.

Gentlemen, India Board, 23 April 1844.
You are aware that for some time past the attention of this Board has been anxiously directed to the consideration of the question of accelerating and improving the mail establishment between this country and India, and extending steam communication in the Indian seas. You will also know, from the circumstance of a request being made for the attendance of an officer from the East India House to join the conferences which have been held here with representatives from different departments of Her Majesty's Government, and others acquainted with the subject, that that consideration was undertaken with an earnest desire to obtain the best information procurable, in order to arrive at a sound decision upon it.

I propose now to address you, for the purpose of laying before you and the Court of Directors the view which is entertained by the members of Her Majesty's Government upon this question, embracing, as it does, objects more extended than the communication with India alone, but so interwoven with this line of intercourse, and so intimately connected with Indian interests, as to preclude the possibility of the consideration of any portions of the plan, except as parts of one comprehensive system.

Before, however, I proceed to state this view, I would, in the first place, wish to recur to the correspondence which has already taken place between this Board and the Court upon the proposals made during the last and present year by the Peninsular and Oriental Company, for improving and accelerating the existing Indian line.

These proposals have been hitherto looked upon unfavourably by your honourable Court, objections having been taken to them upon two grounds, viz. first, the questionable expediency of yielding up the conduct of your own mails upon the

the Bombay line; and, secondly, the doubts entertained as to the means at the disposal of the Peninsular and Oriental Company to perform what they proposed to undertake.

In a memorandum which I placed in the hands of your late Chairman, I expressed my inclination to yield to the Court's wishes, and to admit, though not to their fullest extent, the validity of the considerations connected with the efficient maintenance of the Indian Navy, urged by the Court in favour of the retention in their own hands of the conduct of the mails between Bombay and Suez. I am still prepared to adhere to the views which I then expressed as to the propriety of meeting their wishes on this point, it being distinctly understood that this agreement should be contingent upon the adoption of the general plan which I am now about to lay before the Court.

Her Majesty's Government are quite prepared to continue the present annual grant of 50,000*l.* for the line between Bombay and Suez, on the understanding that the Court are equally prepared to take immediate measures for the effective and punctual performance of this service, by substituting for such of the present vessels as are found deficient from want of power and accommodation, others of a construction calculated to maintain the uninterrupted navigation of those seas at all seasons, and capable also of being converted, upon any emergency, into vessels of war.

As regards the capabilities of the Peninsular and Oriental Company, I have consulted with the Board of Admiralty on the subject, and the contracts which they have already entered into with Her Majesty's Government have been represented by their Lordships as remarkable for their punctual performance.

The general results of the contract system, it may be observed, as regards regularity, efficiency and economy, are such as to preclude any hesitation on the part of Her Majesty's Government to entertain proposals, so long as the contracting parties can produce the means of undertaking them, and express their willingness to bind themselves under satisfactory conditions to perform their engagements. As regards both these points, I have not failed to institute inquiries as to the means at the disposal of the Peninsular and Oriental Company, and the result has been entirely satisfactory.

The objections of the Court, however, seem mainly to apply to the proposal for transferring to private contractors the service of the mail in the line between Suez and Bombay; and these, it is presumed, will cease, if that service remain undisturbedly in their own hands; I therefore hasten to state, that one portion in the conclusion to which Her Majesty's Government have come, is to leave that service, as at present, in the hands of the East India Company. In coming to this determination, they have been influenced, not only by a regard to the efficiency of the Indian Navy, but by the consideration, that in case of any accidental failure on the part of the Peninsular and Oriental Company, the East India Company's navy will still be available, in the same manner as Her Majesty's ships are occasionally employed in Europe as a contingent remedy for any casualties occurring to the mail contractors.

Adverting, in the next place, to the consideration which has been given to the subject of Steam Navigation with India by the Legislature, and by the successive Governments, since the subject was first mooted as a public question, and adverting also to the unequivocal expression of public opinion upon this point, I cannot but concur with the Committee of the House of Commons in 1837, in regarding any amelioration of the present system as entirely incomplete, which does not comprehend the establishment of a line of communication direct from England to Calcutta and Madras, as well as between England and Bombay.

The want of accommodation and efficiency in the present line has been represented in strong terms by the Bombay Government; but at best it has never been pretended that that line at all meets the requirements of the Indian public, as regards either passengers or merchandise, while the painful inconveniences experienced by the former, and the manifest deprivations inflicted upon the latter, demand efficient redress.

It is proposed, therefore, by Her Majesty's Government, to establish a second line of communication, by means of appropriate steamers, which shall leave Calcutta at periods equidistant between those fixed for the despatch of the Company's Bombay mail, and which, touching in their transit at Madras and Ceylon, shall form a bi-monthly communication, and thus enable the Government and the public to avail themselves of twenty-four, instead of twelve, opportunities of transmitting

transmitting a mail; means being also taken to secure the transmission of those mails backwards and forwards between Alexandria and England, both by sea or land.

This trunk line being established, Her Majesty's Government further propose to open a communication, radiating from Ceylon *via* Singapore to Hong Kong; thus giving to India as well as to England a direct means of intercourse with China; an advantage so important (at this moment especially) to the commerce of both countries, as to secure, I trust, the cordial co-operation of the Court of Directors in the means and measures necessary to place this communication on a proper footing.

The Peninsular and Oriental Company have tendered to perform this service from Suez to Ceylon, and from Ceylon to Calcutta and to China, for the annual sum of 170,000*l.*, subject to the scrutiny and approval of the Lords of the Admiralty; and the proposal which I have to submit to the Court of Directors is, that this tender should be entertained, and the parties referred to the proper department of the Admiralty, with a view to the proposition being duly investigated; and in the event of its details being satisfactorily adjusted, that a contract should be entered into between Her Majesty's Government and the Peninsular and Oriental Company, for the performance of this important service. The expense of this new line, as in the case of the existing one, it is proposed should be borne in equal shares by the Treasury and the East India Company, the former receiving any amount which may be realized from the sea-postage upon the line; and the 20,000*l.* per annum now paid by the latter to the Peninsular and Oriental Company, for establishing the mail communication between Suez and Calcutta, to merge in the new contract, as stipulated by the terms of the existing agreement with that Company.

I forbear going into the details of the advantages which will arise from the establishment of these important intercommunications with India, our distant colonies and China, because they must be sufficiently apparent to the Court of Directors. By these arrangements, it is calculated that a despatch will be received from Calcutta in 38 or 40 days, and from Hong Kong in about 50.

In conclusion, it is necessary to advert to the state of the correspondence between the Court and the Board upon the subject of the Peninsular and Oriental Company's proposals. You will perceive, from what I have said, that the subject has much extended with the consideration that has been given to it, and that the grounds upon which the Court would have replied to the Peninsular and Oriental Company's proposal in August last year have somewhat changed: under these circumstances, therefore, I venture to suggest, as the simplest proceeding, consistent with the order and regularity which it is desirable to preserve in our correspondence, that the Court's proposed reply to the letter of the Peninsular and Oriental Company of the 22d August last should be withdrawn, with a view to the substitution of another, framed upon the Court's view of the plans to which I now solicit their acquiescence.

If this suggestion be adopted, it would be advisable in that reply to direct the Peninsular and Oriental Company to place themselves in communication with the Admiralty, to whom it will be also desirable to transmit all the documents, and by whom the contracts should eventually be made.

The Chairman and Deputy Chairman
of the East India Company.

I have, &c.
(signed) *Ripon.*

P. S.—One provision I have omitted to mention, which may be adopted with advantage in any contract with the Peninsular Company for this service. In their contract with the Admiralty for carrying the mails in the Mediterranean from Alexandria to Malta, they have assented that as their profits augment from the increase of passengers, the sum paid by the Government to ensure the first establishment of the line should diminish, till it reaches a certain minimum; and as a considerable increase will undoubtedly take place in the number of passengers between England and our Eastern possessions, the Peninsular and Oriental Company should in like manner consent to a revision and reduction of their annual grant, as often as their gross profits on that line should exceed a given per-centage on the capital invested.

My

My Lord,

East India House, 22 May 1844.

1. We have the honour to acknowledge, and have laid before the Court of Directors of the East India Company, the letter of the 23d ultimo, in which your Lordship has been pleased to state in general terms the view which is entertained by the members of Her Majesty's Government upon the question of accelerating and improving the mail establishment between this country and India, and of extending steam communication in the Indian seas. We have also, with the view to a correct understanding of the present state of this important subject, brought under the particular notice of the Court the correspondence which has already taken place with the Board of Commissioners for the Affairs of India respecting the proposals of the Peninsular and Oriental Steam Navigation Company for improving and accelerating the present Indian line; and have likewise communicated to them the memoranda which have passed between your Lordship and the late Chairman and Deputy Chairman, with the view to a satisfactory termination of the question.

2. Having considered these several papers in connexion with your Lordship's present letter, the arrangement contemplated by Her Majesty's Government appears to be as follows; viz.

That the East India Company shall continue to conduct the line of communication monthly between Bombay and Suez, and to receive, as at present, the annual grant of 50,000*l.* from Her Majesty's Government, who are to provide for the due transmission of the mails between Egypt and England, the Court taking immediate measures for the effective and punctual performance of the Indian portion of that service, by substituting for such of the present vessels as are found deficient in power and accommodation for the passengers between Bombay and Egypt others of a construction calculated to maintain the uninterrupted navigation of the Indian seas at all seasons, and capable also of being converted upon any emergence into vessels of war.

That a second line of communication should be established by means of appropriate steam-vessels between Calcutta and Suez, leaving Calcutta with the mails at certain periods of each month, between those fixed for the despatch of the East India Company's steam-vessel with the Bombay mail, and touching in their transit at Madras and at Ceylon, thereby forming a semi-monthly communication; an intermediate monthly mail leaving England in like manner, to be sent by the return vessels from Suez to Ceylon, Madras and Calcutta, means being taken by Her Majesty's Government to secure the transmission of those mails backwards and forwards between Alexandria and England, both by sea and by land.

That, upon this main or trunk line being established, a communication shall be opened, radiating from Ceylon *via* Singapore to Hong Kong, thereby giving to India as well as to England a direct means of intercourse with China; and

That the monthly mail service from Suez to Ceylon, and from Ceylon to Calcutta and to China, shall be performed under a contract, to be entered into with the Peninsular and Oriental Company by Her Majesty's Government.

3. Assuming this to be a correct view of the intended arrangement, the Court have authorized us to intimate to your Lordship their general concurrence in its adoption, feeling assured, that in judiciously arranging the details necessary to its being carried into effect, the objects no less anxiously desired by the Court than by the public, both in England and in the East, will be thereby secured, namely, the general acceleration and security of the mails; the power of answering letters by the return mails at the two extremes of the line of communication; and the extension of accommodation to passengers to and from all parts of India, combined with greatly increased means of transmitting light packages and valuable merchandize by the way of the Red Sea.

4. We think it, however, incumbent upon us to state, with reference to your Lordship's observations on the capabilities of the Peninsular and Oriental Company punctually to perform a contract such as that proposed to be entered upon, that unless they or any other parties with whom Her Majesty's Government may deem it expedient to contract for this service (and there are other parties desirous of competing for employment of their vessels, at least on the China portion of it), are required to place on the line a larger number of vessels, of adequate size and power, than was contemplated in the plans which the Peninsular and Oriental Company have submitted to the Court; and, unless the penalty for the non-performance of contract, either by accident or by default, in any particular voyage, is fixed at an amount more proportionate to the contract price for performing the voyage, we cannot divest ourselves of the apprehension that failure may ensue at

no very distant period, and that the consequent forfeiture by the contractors will be too insignificant to ensure the necessary exertion to obviate the chance of failure, or to remedy it speedily should it occur. The vessels of the Indian navy may, undoubtedly, be made available as far as their capabilities and the state of the public service will permit, temporarily to supply the place of any of the contract vessels, in case of accident or unforeseen casualty, but as the Indian navy steamers, which are best adapted for such employment, will be occupied on the Bombay and Suez line, the Court cannot encourage any reliance on such contingent and uncertain aid.

5. The expense of the new line, viz., between Suez and Calcutta, and between Ceylon and China, is proposed to be borne in equal shares by Her Majesty's Treasury, and by the East India Company, the former receiving the sea-postage upon the line, and "the 20,000 *l.* per annum now paid by the latter to the Peninsular and Oriental Company for establishing the steam communication between Suez and Calcutta, to merge in the new contract, as stipulated by the terms of the existing agreement with that Company;" this expense, which we observe it is intended (as in the existing Mediterranean contract) to revise periodically, in view to reduction, is stated by your Lordship at 170,000 *l.* per annum; an amount, in our opinion, large, merely for the conveyance of the mails upon a line which has been established for mercantile purposes, and from which a considerable return in freight and passage money may not unreasonably be calculated upon by the owners of the vessels engaged on it.

6. The Court of Directors readily admit that India and Indian interests will derive advantage from this proposed extension of steam communication, and they are quite prepared to co-operate with Her Majesty's Government in furtherance of that object; but they cannot allow that it possesses the same claim to support from the Indian revenues as the line between Bombay and Suez, which, combined with the dawak, affords at present all the necessary communication, as far as the purposes of Government are concerned, and will continue to afford the readiest and most direct means of communication with India generally, for the mail and for political purposes; therefore, when it is considered that India will have no pecuniary return from the proposed new line, but exemption from postage for the official despatches which may be conveyed on it, while she will, besides suffering diminution in the dawak receipts, be burthened with the cost of the transit of 12 additional mails both ways across Egypt every year; when, moreover, it is considered that India bears the entire charge* of maintaining Aden for the general benefit of steam navigation in the Red Sea; and when it is borne in mind that the proposed new line does not contemplate a direct communication between Calcutta and China, and, therefore, that the correspondence between the seat of the British Government in India and the settlements in the Straits and Hong Kong, must be transmitted, in the first instance to Ceylon, or entrusted, as at present, to the means afforded by private ships or steam-vessels trading between Bengal and China, for which a separate remuneration must be awarded, it appears to the Court that the proportion of the annual sum that may be allowed by Her Majesty's Government to the contractors on the present occasion, which could fairly be admitted as a charge on India, ought not to exceed one-third, and that in part payment of such proportion the 20,000 *l.* per annum, which the Court have agreed, under certain conditions, and for a limited period, to pay to the Peninsular and Oriental Company, should, of course, be included.

7. The Court further submit, that it ought to be so arranged, that in the event of a vessel of the Indian navy being employed at any time to supply the place of one of the contract vessels, the full expenses incurred on the part of the East India Company, by the employment of such vessel, should be defrayed by the contractors.

8. Having thus placed your Lordship in possession of the sentiments of the Court upon this subject, we beg to state, in conclusion, that they have ordered to be submitted, for the approval of the Board of Commissioners, through the customary channel, the draft of a letter to the Secretary of the Peninsular and Oriental Steam Navigation Company, which they consider a suitable reply to the several letters which he has addressed to them upon this subject.

We have, &c.
(signed) *John Shepherd*
Henry Wallock.

The Right honourable the Earl of Ripon,
&c. &c. &c.

* Above 90,000 *l.*
per annum.

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To the Chairman and Deputy Chairman of the East India Company.

Gentlemen,

India Board, 3 July 1844.

I HAVE now the honour to reply to your communication of the 22d May, in reference to the project submitted to you on the 23d of the previous month, for accelerating and improving the mail communication between this country and India, and extending steam navigation in the Indian seas. This project embraces the three points of rendering efficient and complete the service of the Bombay and Suez line in the hands of the East India Company; of adding to it a direct mail communication once a month, with each of the other two Presidencies by means of private enterprise, and of extending the latter line to the Straits settlements and to China; and I took that opportunity of explaining to you that the Board of Commissioners for the Affairs of India, with the concurrence of Her Majesty's Government, had been induced to recommend that project for the adoption of the Court of Directors; because, as an extended and comprehensive system, it afforded an opportunity of reconciling or overcoming difficulties in detail, which would otherwise have been insurmountable, and of effecting objects which could only be attained as portions of one general plan.

It is satisfactory to me to receive the assurance, conveyed in your reply, that the Court of Directors have signified their general concurrence in the adoption of this arrangement, and their conviction that it is calculated to effect the objects so anxiously desired by the public both in England and the East, and to be productive of advantage to India and to Indian interests generally.

I entirely concur in your suggestion as to the imposition of stringent conditions upon the parties contracting to undertake this service for its efficient and punctual performance, and for providing that, in the event of any vessels of the Indian navy being temporarily required to replace others, the property of the parties contracting for the mail service, the full expenses so incurred should be defrayed by the contractors, and we will communicate on these points to the Lords of the Admiralty, by whom, under the superintendence of Her Majesty's Government, the terms of the contract will be arranged.

You observe that the sum of 170,000*l.*, now named as the probable annual expense of the two new lines, appears to the Court to be "large" in consideration of the duties to be undertaken; but you will understand that that sum is suggested rather as an estimate than a calculation; and it has been referred to the proper officers at the Admiralty to scrutinize the items which go to form that gross amount, with a view to their being fixed in the contract at the lowest scale on which their practical experience has shown that the service can be reasonably expected to be performed.

You have, however, communicated the opinion of the Court of Directors, that, admitting the great advantages derivable to India from the intended arrangements, the Indian Government ought not to be called upon to bear a greater proportion than one-third of the cost of the entire plan; and in support of these views you have urged the following considerations:

First. That the line from Suez to Calcutta does not possess the same claim to support from the Indian revenues as that between Bombay and Suez, inasmuch as the latter affords all the necessary facilities for Government mails and political purposes; but I must observe, that the views of Her Majesty's Government, in sanctioning the intended lines of communication, were not limited to so narrow an object, and are designed, on the contrary, to comprehend the promotion of public convenience both in India and in Great Britain, the facilitating of commercial correspondence, and the acceleration and extension of the general intercourse between this country and the servants and subjects of the Government in India; objects which at the present moment are provided for, though but inadequately, at the Bombay Presidency alone, to the exclusion and prejudice of Calcutta and Madras.

Secondly. You suggest that India will derive "no pecuniary return from the proposed new line, but exemption from postage for the official despatches which may be conveyed on it; whilst she will, besides suffering a diminution in the dawk receipts, be burthened with the cost of twelve additional mails both ways across Egypt every year"

As to the latter point, it is not intended that the Indian Government should be at the cost of the additional journeys across the desert; and, on the other hand, even if it were, that expense would be counterbalanced by the equal expenditure

which Her Majesty's Government mean to take upon themselves in defraying the expense of twelve additional expresses both ways across France, in connexion with the new line of mails in the middle of each month; and as to the anticipated diminution of the dawk receipts by way of Bombay, consequent upon the establishment of a mail from Calcutta by sea, I entirely differ from the view taken by the Court, inasmuch as during the last 12 months a mail has been frequently made up and despatched by this route on board the Peninsular and Oriental Company's ships the "Hindustan" and "Bentinck:" experience demonstrates the receipts of the dawk route, so far from decreasing, have materially increased, and the number of chests of letters despatched by it from this country, which in October last amounted to but 86, had arisen on the last despatch on the 1st June to 106, showing, instead of a diminution, an increase of one-fifth. The benefits which India will derive from the improvement of the mail communication are not to be sought for so much in any direct pecuniary advantage (although this, too, must result from an increase of correspondence from this country, and the probable reduction of its cost), but in those particulars in which the Court has alluded in communicating their approval of the proposed plan, in the stimulus which it will give to Indian trade, the development of Indian resources, and the convenience and comforts of the public service, and the community at large.

Thirdly. You have also urged as a reason why Her Majesty's Government should bear a larger share than one-half the ascertained cost of the new mail service; that the East India Company now "bears the entire charge of maintaining Aden for the general benefit of steam navigation in the Red Sea." But it must be borne in mind, not only that other considerations connected with the welfare of India enter into the question of maintaining that important position, besides those of its advantages to steam navigation, but that even for the latter purpose it is now maintained exclusively for the convenience of the line of mail communication between Bombay and Suez, and must so continue so long as the service on that line is performed by the East India Company; so that the new line from Calcutta to Suez is in no degree facilitated by its maintenance, nor will it occasion one rupee of additional expenditure; on the other hand, the Court have omitted to observe, that, for the convenience of steam navigation in the Mediterranean sea, in connexion with the Indian mails, Her Majesty's Government are now at a considerable annual expense, and which expense they are willing to increase at their own unaided charge, in order to afford similar facilities to the second line now about to be established,—a proof of their liberal anxiety for the interests of India, and the promotion of the important object now under consideration, in which I feel assured they will be met by the Court of Directors in a similar spirit.

Lastly. You observe, in your letter of the 22d May, that the new line from China, by way of Ceylon, will not effect a direct communication between that country and Calcutta, and that the correspondence between it and the Straits settlements and Hong Kong must either go by way of Ceylon, or be carried in private ships, and at a separate and additional cost. I am not prepared to coincide in this objection to the extent in which you urge it, inasmuch as a certain, punctual and periodical arrival of the Chinese mail at Singapore, which is one-half the distance in question, is, in itself, a signal improvement upon the present state of things, when there exists no regular mail whatever upon any portion of the line between Calcutta and China.

But, in addition to this, the Board has lately united with the Court of Directors in intimating to a private Company their desire to encourage the establishment of a regular line of steam communication for mail purposes, as well as others, between Singapore and Calcutta,—a project which, if carried out by private enterprise, will, in connexion with the line now about to be undertaken by the two Governments, give to Calcutta the direct communication with China of which your letter speaks.

And it must also be borne in mind that this line from Ceylon to Singapore will now give to the Indian Government that which does not at present exist, and which is so much required, a regular communication between the settlements in the Straits and the Presidency of Madras, from which those settlements are garrisoned, and the correspondence with which is now conveyed by uncertain and circuitous channels.

Such are the views which are entertained by this Board and Her Majesty's Government in reference to the various grounds on which you have suggested that the proportion of the cost of the new mail service, to be borne from the Indian revenues,

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revenues, should not exceed one-third of the entire. But, irrespective of my own opinions, I felt it my duty to submit the proposition of the Court upon this point to Her Majesty's Treasury, and I now enclose you a copy of their reply, declining, as you will perceive, to treat the lines now proposed to be established from Suez to Ceylon and China on a different principle from that between Bombay and Suez, or to regard any portion of the Indian mail service as detached and distinct from the general and comprehensive system which has met with the sanction of Her Majesty's Government, and the approval of the Court of Directors.

Under these circumstances, I have again to invite the attention of the Court to this important subject, and to express an earnest hope that the early signification of their concurrence in the arrangements proposed by Her Majesty's Government will enable the Admiralty to proceed to the final adjustment of the contract, and thus ensure the speedy completion of a measure so anxiously expected, both in India and in England, and so calculated to be beneficial to the interests of both countries.

I have, &c.
(signed) *Ripon.*

Sir,

Treasury Chambers, 29 June 1844.

I HAVE laid before the Lords Commissioners of Her Majesty's Treasury your communication, dated 25th ultimo, submitting, by direction of the Commissioners for the Affairs of India, a plan which has been drawn up with the assistance and information of officers from the General Post Office, the Admiralty, and other departments, and which has been communicated to the Court of Directors of the East India Company for their adoption, for the improvement and acceleration of the mail establishment between this country and India, and its extension to China, and our other settlements and colonies in the Indian seas; and I am directed to request that you will state to the Commissioners for the Affairs of India that, upon a full consideration of this subject, my Lords are decidedly of opinion that Her Majesty's Government should not be called upon to provide more than one-half of the expense of the proposed service, as my Lords consider that, although this country may have a more direct interest in that portion of the line between Ceylon and China than the East India Company, yet, on the other hand, Indian interests are principally concerned in the line between Ceylon and Calcutta; and it must also be borne in mind, that the whole expense of the additional line between this country and Alexandria will be provided for by Her Majesty's Government.

The only arrangement, therefore, to which my Lords can consent is, that the whole expense of the service as far as Alexandria should be defrayed by the Government, the expenses beyond that being equally divided between the East India Company and the Government, the arrangement with regard to postage remaining as at present.

J. Emerson Tennent, Esq., M. P.

I am, &c.
(signed) *G. Clerk.*

My Lord,

East India House, 11 July 1844.

1. HAVING laid before the Court of Directors of the East India Company your Lordship's letter, dated the 3d instant, in reply to our letter of the 22d May, upon the proposed plan for accelerating and improving the mail communication between this country and India, and for extending steam navigation in the Indian Seas, we are requested to observe to your Lordship, that the fact of the Court having been the first to suggest a measure of encouragement to the Peninsular and Oriental Steam Navigation Company to enable them to enter upon a communication between Calcutta and Suez, without any view to the transport of mails, is sufficient, the Court trust, to show that they can have no wish to narrow their consideration of the present proposal to that single object. The Court concur with your Lordship in appreciating the advantages, general and commercial, of an extended intercourse between England and India, and are desirous of co-operating with Her Majesty's Government in furtherance of that object, so far as can be done with due regard to the state of the finances of India, which it is

their bounden duty to watch over and to protect, and in the discharge of that duty the Court are quite sure of being warmly supported by your Lordship.

2. In the conclusion of your Lordship's letter, reference is made to a communication from the Lords of the Treasury, of which a copy is enclosed, for the purpose of showing that their Lordships decline "to treat the lines now proposed on a different principle from that between Bombay and Suez, or to regard any portion of the Indian mail service as detached and distinct from the general and comprehensive system." It is the distinct opinion of the Court that the public interests require that the Bombay and Suez line should remain in the hands of the East India Company. Upon that ground alone have they contended that it should not be disturbed, and upon no other ground could they wish it to be maintained.

3. Their Lordships decline to sanction the charge to the public of more than one-half of the expense of the proposed new lines between Suez and Calcutta and between Ceylon and Hong Kong; and the question for discussion between your Lordship and the Court is, whether or not India should be charged with the remaining moiety?

4. Your Lordship observes, that Her Majesty's Government are now at the expense of the mail communication between this country and Alexandria, and are willing, at their own unaided charge, to increase that portion of the communication under the proposed arrangement; and the Court would admit the force of this argument, did they not observe, that whilst Her Majesty's Government incur the expense, they receive all the postage accruing from the entire line; and if the view which your Lordship takes of the probable effect of the proposed arrangements in augmenting the number of letters should prove correct, the receipts from postage will be proportionately increased.

5. But whilst Her Majesty's Government have thus a return for that portion of the expense which they alone undertake, India will, by the proposed plan, be required to undertake an additional expense, of which there will be no reimbursement. We allude to the communication between Calcutta and Singapore, without which India will fail to derive any material benefit from the line between Ceylon and Hong Kong. It is true, as your Lordship states, that instructions have lately been given to encourage such a communication by private enterprise; but it should be borne in mind, the encouragement will be afforded at the expense of India. Can it be just, we confidently ask your Lordship, that India should be required to pay one-half of the expense of a line from which she can have no important benefit but by undertaking the whole expense of a separate junction line?

6. The Court are persuaded that the mere advantage of having an opportunity of conveying letters by the circuitous route of Ceylon to China once a month will not justify so large an outlay from the revenues of India. During the greatest portion of the year, the facilities afforded by the fast-sailing vessels from the several Presidencies would be preferred, as equally certain, more direct and much less expensive.

7. With respect to the cost of transporting the additional mails across Egypt, the Court were under the impression that it was intended to effect the transport by means of the East India Company's agency, in the same manner as the Bombay mails are now conveyed; and we submit it, as the Court's opinion, that it will be found to be desirable to adopt this course, in which case, as the whole charge will be borne by the East India Company, the sum payable by India towards the new communication should be proportionately reduced.

8. Combining the several considerations now urged, the Court continue to be of opinion, that one-third of the contract price for the conveyance of the mails upon the contemplated new lines between Suez and Calcutta, including Hong Kong, *vid* Ceylon, is the utmost to which the revenue of India ought to be liable.

9. If the plan were confined to a communication between Suez and Madras and Calcutta, the Court, supposing that the necessity for the arrangement were admitted, would not deny the justice of an equal division of the expense between India and England, providing only that the amount of such expense should be arranged jointly by the Lords of the Admiralty and by the Court, but with respect to the line between Ceylon and Hong Kong, the Court think that that question rests upon distinct grounds, and should be separately considered.

10. To avoid, however, further delay and discussion, the Court have come to the

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the conclusion that the most satisfactory arrangement will be for the East India Company to pay to Her Majesty's Government a fixed sum annually, in the same way as is now done by Her Majesty's Government to the East India Company with respect to the Bombay and Suez line, and we are instructed to state that, in the anxious desire to meet the views of your Lordship and of the public, so far as they can do so with justice to the finances of India, the Court will be prepared to fix the amount at 70,000*l.* per annum, the East India Company transporting the additional mails through Egypt, and being reimbursed the expense, it being understood that the amount shall be subject to revision at the expiration of five years.

We have, &c.

(signed) *J. Shepherd.*
H. Willock.

The Right hon. the Earl of Ripon,
&c. &c. &c.

Gentlemen,

India Board, 25 July 1844.

I beg to enclose to you, for the information of the Court of Directors, a copy of a letter which was addressed by this Board to the Lords Commissioners of Her Majesty's Treasury on the 13th instant, in forwarding to them the communication, under date 11th July, which you did me the honour to address to me, conveying the sentiments of the Court of Directors as to the proportion of the expense of the new Indian and Chinese mail contract, which the East India Company might be equitably called upon to defray, in conjunction with Her Majesty's Government. I enclose, likewise, the answer to that communication, under date the 22d July, from which you will perceive that the Lords of the Treasury have assented to the payment of a further sum of 5,000*l.*, making in all 90,000*l.* per annum towards this service.

This, together with the 70,000*l.* proposed to be borne by the East India Company, left 10,000*l.* of the annual amount asked for by the Peninsular and Oriental Company still unprovided for; and, feeling that it would be fruitless to proceed further with the negotiation, unless their tender were so modified as to conform with the means available for effecting the object in view, I caused a letter to be addressed to them on the 22d instant to that effect, which, together with their reply, assenting to that suggestion, I have now the honour to transmit to you.

This communication may be considered to remove any obstacles which existed to the contemplated arrangement in a financial point of view, and I have therefore addressed the Treasury, requesting that their instructions may be issued to the Lords of the Admiralty, directing their Lordships to place themselves in communication with the representatives of the Peninsular and Oriental Company, and to proceed forthwith to the final adjustment of the details and terms of the contract on the basis now settled.

The only departure from the suggestions contained in your correspondence which I have thought it right to recommend to the Lords of the Admiralty, was to make the terms of the contract subject to revision at the expiration of seven years, instead of five, and this because it has been represented to be somewhat unreasonable to expect the outlay of additional capital to the extent of upwards of a quarter of a million sterling in vessels constructed for this service, upon so very brief a tenure as a contract for five years only. Besides which, a much longer term than five years has been granted in the other contracts entered into with other parties by the Admiralty.

This alteration will, I presume, meet with your concurrence; and I shall direct that the draft of the contract shall be submitted for your approval previous to its ratification.

I am, &c.

The Chairman and Deputy Chairman.

(signed) *Ripon.*

Sir,

India Board, 13 July 1844.

I AM directed by the Commissioners for the Affairs of India to transmit to you a copy of a letter, under date the 10th July, communicating to this Board the views of the Court of Directors of the Honourable East India Company, with reference to the proportions in which the expense of the India mail should be borne

by Her Majesty's Government and the East India Company, and I am further directed to express the hope entertained by this Board, that, in consideration of the preponderance of interest which Her Majesty's Government obviously has in the line between Ceylon and China beyond that of the East India Company, whilst the latter, in order to derive any direct advantage from it, must be at the expense of establishing, at their own sole cost, a branch line from Calcutta to meet the mails at Singapore, the Lords Commissioners of Her Majesty's Treasury will be induced to reconsider their decision of 29th June, and, instead of an equal division of the expense, where there does not exist an equal participation of the advantages, that they will see the propriety of acceding to the suggestion of the Court of Directors, and accepting their proposal of paying 70,000*l.* per annum as their proportion of the gross cost of the contemplated lines to Calcutta and Hong Kong.

I have, &c.

To Sir G. Clerk, Bart.
&c. &c. &c.

(signed) *J. Emerson Tennent.*

Sir,

Treasury Chambers, 22 July 1844

£ 90,000 per
annum.

I AM commanded by the Lords Commissioners of Her Majesty's Treasury to request that you will state to the Commissioners for the Affairs of India, that, under the circumstances stated in the letter of the Chairman and Deputy Chairman of the East India Company, a copy of which accompanied your letter of the 13th instant, my Lords will not object to pay annually a sum of Ninety thousand pounds towards the expense of the new line of packets which it is proposed to establish between Suez, Calcutta and China.

I am, &c.

J. E. Tennent, Esq., M. P.

(signed) *G. Clerk.*

Sir,

India Board, 22 July 1844

IN reference to the correspondence which this Board and the Directors of the East India Company have had with the Peninsular and Oriental Company relative to the proposal of the latter for the conveyance of the mails from Suez to Calcutta and to China, I am directed by the Commissioners for the Affairs of India to acquaint you, that the subject having been taken into mature consideration by Her Majesty's Government, and by the East India Company, by whom the expense must be conjointly borne, and after close calculation as to the probable advantages of the scheme, it is the conviction of both that they will not be warranted in entertaining the proposition on the terms of paying a higher rate for the services tendered than 115,000*l.* per annum for the line from Suez to Calcutta, and 45,000*l.* for that from Ceylon to Hong Kong, being 160,000*l.* for the entire.

I am further directed to inquire whether the Peninsular and Oriental Company find themselves at liberty to amend their tender on this point, without which the Commissioners for the Affairs of India cannot hold out to them an expectation of being able to proceed further with the consideration of their proposal.

James Allan, Esq.

(signed) *J. E. Tennent.*

Peninsular and Oriental Steam Company,

St. Mary Axe, 23 July 1844.

Sir,

I AM desired by the Directors of this Company to acknowledge receipt of your letter of the 22d instant, communicating by desire of the Commissioners for the Affairs of India, that the proposal for the conveyance of the mails from Suez to Calcutta and to China had been taken into mature consideration by Her Majesty's Government and the East India Company, and that it is the conviction of both, that they will not be warranted in entertaining the proposition on the terms of paying a higher rate for the service tendered than 115,000*l.* per annum for the line from Suez to Calcutta, and 45,000*l.* for that from Ceylon to Hong Kong, being 160,000*l.* for the entire.

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In reply, I am directed to state, that the Directors of the Peninsular and Oriental Steam Company have taken the matter into their immediate deliberation. Their original tender, at the rate of 125,000*l.* for the Calcutta line, and 45,000*l.* for that from Ceylon to Hong Kong, was made not less with a due regard to the interests of the proprietary, by naming such a sum as would be likely to afford a reasonable return for their capital, than with an anxious desire to reduce that sum to so low an amount as would secure for their tender the approval and acceptance of Her Majesty's Government and the East India Company; and they regret to find that the advantages held out by their proposal do not appear to the Board of Commissioners for the Affairs of India to be commensurate with the sum which they have asked. The amount of capital required for these services will be very considerable, at least 43,000*l.*, and the estimate of receipts must still, in a great measure, be conjectural on lines of communication, some of which, having yet to be opened, afford no accurate data which could safely be taken as the basis of a calculation.

The Peninsular and Oriental Steam Company, however, have an honourable reliance on the equity of Her Majesty's Government, that they would not insist upon such terms in any contract as would secure for the public the benefits contemplated, to the loss and detriment of private enterprise; and at the same time they entertain so sanguine a hope that the increased facilities which the opening up of these great lines of communication will afford, may lead, when developed, in the course of years, to a remunerating traffic. That, relying on these two considerations, they have come to the resolution to accept the terms named in your letter for the service in question. On the Calcutta line the Directors trust that there will be a gradual increase of traffic to compensate them for this reduction; but on the China line, a service so distant and destitute of resources for Steam Navigation, they must throw themselves on the fair consideration of Her Majesty's Government, in the confidence, that, having named the very lowest amount at which the communication can possibly be maintained, they will derive every support and assistance in its future conduct and maintenance, should further experience in such an arduous undertaking warrant them in applying for such aid.

The Directors, in coming to the above decision, beg leave respectfully to express a hope that, after the grievous, though unavoidable, delays of this question, and the consequent long suspense of public expectation, considering also that the interests of their constituency are deeply involved in their being soon placed in a position to make the necessary contracts for additional vessels, and other arrangements consequent upon this weighty undertaking, that such instructions may now be given as will bring the matter to a speedy conclusion.

The Peninsular and Oriental Company have been already directed by a letter from the Secretary of the East India Company to place themselves in communication with the Lords Commissioners of the Admiralty for the arrangement of the details of this service, and the Directors are prepared to do so as soon as they receive an intimation to that effect.

I have, &c.
(signed) *Jas. Allan,*
Secretary.

J. Emerson Tennent, Esq.
&c. &c. &c.

Sir,

India Board, 3 December 1844.

I AM directed by the Commissioners for the Affairs of India to enclose to you a copy of the Contract about to be entered into between the Lords Commissioners of the Admiralty and the Peninsular and Oriental Steam Navigation Company for the conveyance of the Indian mails. It is still in an incomplete state; but as its main provisions are all arranged, the Board do not apprehend that any alteration yet to be made will affect any of the essential provisions already approved of by the Court of Directors, and now embodied in the draft.

The Board will be glad to be favoured, as soon as possible, with any suggestions which the Court of Directors may think it necessary to make regarding it.

I am, &c.
(signed) *J. Emerson Tennent.*

J. C. Melvill, Esq.

ARTICLES of AGREEMENT, made this _____ in the year of our Lord One thousand eight hundred and Forty-four, between the "Peninsular and Oriental Steam Navigation Company" of the one part, and the Commissioners for executing the office of Lord High Admiral of the United Kingdom of Great Britain and Ireland (for and on behalf of Her Majesty) of the other part: WITNESS, That the said Company (hereafter designated as the contractors), in consideration of the payments hereinafter stipulated to be made, do hereby covenant, promise and agree with the said Commissioners, that they the contractors shall and will at all times, during the continuance of this Contract, provide, maintain, keep seaworthy, and in complete repair and readiness for the purpose of conveying, as hereinafter provided, Her Majesty's mails (which term of Her Majesty's mails is intended and understood by the parties hereto to mean such of Her Majesty's mails, and all despatches and bags of letters, as shall at any time, and from time to time, by the said Commissioners or Her Majesty's Postmaster-general, or any of the officers or agents of the said Commissioners or Postmaster-general, be required to be conveyed, and whether such mails, despatches and bags of letters be intended for any of the ports or places mentioned in this Contract, or any other ports or places), a sufficient number, not less than three, of good, substantial and efficient steam-vessels, to be employed between Calcutta in India, and Suez in Egypt; each and every of such vessels to be always supplied with first-rate appropriate steam-engines of not less than five hundred collective horse-power; and also a good, substantial and efficient steam-vessel, to be employed as a reserve or subsidiary vessel in the said service, when any of the before-mentioned vessels may be disabled by accident, or require repairs; such last-mentioned vessel to be always supplied with first-rate appropriate steam-engines, of not less than two hundred and fifty collective horse-power, and likewise that the said Company shall and will, at all times during the continuance of this Contract, provide, maintain, keep seaworthy, and in complete repair and readiness, for the purpose of conveying Her Majesty's mails between the island of Ceylon and Hong Kong, in China, a sufficient number of vessels, not less than two, each of them to be always supplied with first-rate appropriate steam-engines, of not less than four hundred collective horse-power, and also another vessel to be always supplied with first-rate appropriate steam-engines of not less than 250 collective horse-power, and all the vessels hereinbefore mentioned or referred to shall be also always supplied and furnished with all necessary and proper machinery, engines, apparel, furniture, stores, tackle, boats, fuel, oil, tallow, provisions, fresh water, anchors, cables, fire-pumps, and other proper means for extinguishing fire, and whatsoever else may be requisite and necessary for equipping the said vessels, and rendering them constantly efficient for the service hereby contracted to be performed, and also manned and provided with competent officers and engineers, and a sufficient crew of able seamen and other men, and to be in all respects as to vessels, engines, equipments, engineers, officers and crew, subject, in the first instance, and from time to time, and at all times afterwards, to the approval of the said Commissioners, and of such other persons as shall at any time or from time to time have authority under the said Commissioners to inspect and examine the same.

That every one of such vessels, with engines of not less than five hundred and four hundred horse-power shall be of such construction and strength, and their equipments so arranged, as to be fit and able to carry and fire at least four guns of the largest calibre now used on board any of Her Majesty's steam-vessels of war.

That the contractors shall and will during the continuance of this Contract, in every case, diligently, faithfully, and to the satisfaction of the said Commissioners, and with all possible speed, convey Her Majesty's mails on board the said vessels respectively as hereinafter mentioned.

That one of such vessels, with engines of five hundred collective horse-power, so approved of and equipped, and manned as aforesaid, and with Her Majesty's mails on board, shall, on the tenth day of January next, and on the tenth day of every succeeding calendar month, except the months of May, June and July, when she shall leave Calcutta on the fifth of the month, at such hour as shall at any time, or from time to time, be appointed by the said Commissioners, put to sea from the Sand Heads off Calcutta, and proceed direct to Madras, where she shall arrive within eighty-four hours from the time of her departure from Calcutta.

That such vessel shall remain at Madras twenty-four hours, but not longer, unless a further stay of the vessel there shall be specially required by any agent duly authorized to have charge of Her Majesty's mails, whose direction is to be complied with, but the stay at Madras shall not exceed forty-eight hours.

That such vessel, after having delivered and received Her Majesty's mails at Madras, shall proceed thence direct to Point de Galle, in the island of Ceylon, where she shall arrive within sixty hours from the time of her leaving Madras.

That such vessel shall, when and so often as may be required by the said Commissioners, or their authorized agent, call and deliver and receive Her Majesty's mails at Trincomalee, either on the outward or homeward passage, or both, or in substitution of Point de Galle, on giving notice thereof; and that when such vessel shall have to call both at Point de Galle and Trincomalee on her voyage to Suez, such vessel shall arrive at Trincomalee from Madras within thirty-five hours, and that within twelve hours after her arrival at Trincomalee, Her Majesty's mails having been there delivered and received, such vessel shall proceed thence direct to Point de Galle, and shall arrive there within thirty-four hours; but in case the said Commissioners shall give notice to the said contractors that such vessel shall not proceed from Trincomalee to Point de Galle, such vessel shall within forty-eight hours after her arrival at Trincomalee, Her Majesty's mails having been there delivered and received, proceed thence direct to Aden, and shall arrive there in two hundred and eighty-two hours from the time of her departure from Trincomalee.

That

That when such vessel has to call at Point de Galle, she shall, within forty-eight hours after her arrival there, Her Majesty's mails having been there delivered and received, proceed thence direct to Aden, and there arrive within two hundred and forty hours, and immediately on her arrival deliver and receive Her Majesty's mails; it being agreed that any agent duly authorized to have charge of Her Majesty's mails shall have power and be at liberty specially to detain such vessel at Point de Galle or Trincomalee for any period not exceeding seventy-two hours from the time of her arrival, but if the steamer, with the mails from Hong Kong and Singapore, shall not have arrived at Point de Galle or Trincomalee at the termination of the seventy-two hours, in that case the steamer from Calcutta and Madras for Suez shall remain at Point de Galle or Trincomalee until the arrival of the steamer from Hong Kong, not exceeding, however, one hundred and twenty hours, unless she be then in sight, the vessel when so detained proceeding direct to Aden from Point de Galle or Trincomalee, as the case may be, immediately at the expiration of the period of her detention.

That within forty-eight hours after her arrival at Aden, having delivered and received Her Majesty's mails, such vessel shall proceed thence direct to Suez, where she shall arrive within one hundred and fifty-two hours from the time of her leaving Aden.

That such vessel shall remain at Suez one hundred and twenty hours, unless Her Majesty's mails from England shall have previously arrived at Suez, in which case she shall leave Suez, with Her Majesty's mails on board, as soon as coals, provisions and necessary stores can be got on board, and the requisite repairs to the vessel and her machinery can be effected.

If, however, Her Majesty's mails from England shall not have arrived at the expiration of such one hundred and twenty hours, such vessel shall wait for the same at Suez beyond that period for such further time as shall be necessary, not, however, exceeding forty-eight hours, unless, at the expiration of such last-mentioned periods, a telegraphic communication shall have reached Suez to the effect that the said mails have been despatched across the Desert, or if the affirmative flag shall have given notice that the steamer from England is in sight at Alexandria, in either of which cases such vessel at Suez is to remain there until Her Majesty's mails from England are on board.

That so soon as Her Majesty's mails shall have been received on board such vessel, she shall proceed from Suez direct to Aden, where she shall arrive within one hundred and forty-four hours from the time of her departure from Suez.

That after remaining forty-eight hours at Aden, and there delivering Her Majesty's mails, and receiving others on board, such vessel shall proceed thence to Point de Galle, where she shall arrive within two hundred and forty hours from the time of her departure from Aden, unless she be required to proceed direct from Aden to Trincomalee without calling at Point de Galle, in which case she shall arrive at Trincomalee from Aden within two hundred and eighty-two hours of her departure from the latter place; and after having delivered and received Her Majesty's mails at Trincomalee, she shall, within forty-eight hours of her arrival there, proceed to Madras, where she shall arrive within thirty-five hours.

That when, having to proceed from Aden to Point de Galle, she shall, after remaining there not longer than forty-eight hours, and there delivering Her Majesty's mails, and receiving others on board, proceed thence direct to Madras, where she shall arrive in sixty hours, unless she be required also to call at Trincomalee, in which case she shall proceed from Point de Galle to Trincomalee, where she shall arrive within thirty-four hours, and there deliver and receive Her Majesty's mails, and shall proceed from Trincomalee within twelve hours of her arrival there to Madras, where she shall arrive within thirty-five hours.

That in every case on her voyage from Suez, after remaining at Madras not longer than twelve hours, and there delivering and receiving Her Majesty's mails, such vessel shall proceed direct to Calcutta, and there deliver Her Majesty's mails, the said vessel arriving within seventy-two hours from the time of her departure from Madras, off the Sand Heads, at the entrance of the Hooghly.

That in the event of any accident occurring, or of repairs being necessary to any of the vessels with engines of not less than five hundred horse-power, employed in the performance of the service hereby contracted to be performed, which may temporarily prevent the employment of any such vessels, the contractors shall provide and employ, in the same service during the time any such vessel may be withdrawn or not employed, a steam-vessel with engines of not less than two hundred and fifty collective horse-power, and every substituted vessel, with her engines, officers, crew and equipments, shall be subject to such approval and to all other conditions as the other vessels heretofore mentioned or referred to; and that none of the said larger vessels shall be withdrawn from the said service, or be disused for repairs, without the previous sanction and approbation of the said Commissioners, or their authorized agents; and when withdrawn, or temporarily prevented from being employed, such vessel shall be again employed in the same service without delay.

That one of the said vessels of four hundred horse-power shall be in readiness at Point de Galle; or it and whenever required by the said Commissioners at Trincomalee to receive Her Majesty's mails for Penang, Singapore and Hong Kong, on each of the said steam vessels arriving from Suez, and within twenty-four hours after the said mails shall have been received on board one of such vessels of four hundred horse-power, such vessel shall put to sea, and proceed direct to Penang, where she shall arrive within one hundred and forty hours from the time of her departure from Point de Galle, or within one hundred and thirty-seven hours in case of her departure from Trincomalee.

That such vessel of four hundred horse-power, after delivering and receiving the mail at Penang, shall put to sea and proceed direct to Singapore, where she shall arrive within forty-five hours from the time of her departure from Penang.

That such vessel, after remaining not exceeding forty-eight hours at Singapore, and having delivered

delivered and received Her Majesty's mails, shall proceed direct to Hong Kong, where she shall arrive within one hundred and seventy hours after her departure from Singapore, and there deliver Her Majesty's mails.

That on the first of every month, except for the months of May, June, July and August, when the departures are to be five days earlier, one of such vessels shall, with Her Majesty's mails on board, proceed from Hong Kong direct to Singapore, where she shall arrive within one hundred and seventy hours from her departure from Hong Kong.

That within forty-eight hours after arriving at Singapore, and after having delivered and received Her Majesty's mails there, she shall proceed to Penang, where she shall arrive within forty-five hours after her departure from Singapore.

That within six hours after arriving at Penang, and having delivered and received Her Majesty's mails there, she shall proceed to Point de Galle, where she shall arrive and deliver Her Majesty's mails within one hundred and forty hours after her departure from Penang, or if Trincomalee shall be the appointed place for the junction of the mails, she shall proceed from Penang direct to Trincomalee, and there arrive and deliver Her Majesty's mails within one hundred and thirty-seven hours of her departure from Penang.

That the contractors shall be at liberty to order the vessels to call at one or more other places on the direct route between Ceylon and Hong Kong; the aggregate stoppages not to exceed twelve hours; and the said Commissioners shall also have the option to order the vessels to call at one or more other places on the said direct route to deliver and receive Her Majesty's mails, the aggregate delay not to exceed twelve hours.

That should it be deemed by the said Commissioners, or by any of their authorized agents, requisite for the public service that any vessel employed under this Contract should delay her departure from any of the places herein mentioned or referred to beyond the periods heretofore agreed upon, the said Commissioners, or such authorized agents, shall have power, and be at liberty to order such delay, not, however, exceeding twenty-four hours, by letter, addressed to the master of any such vessel, or person acting as such, and which shall be deemed a sufficient authority for such detention.

That if at any time during the continuance of this Contract it should be deemed expedient by the said Commissioners that the vessel conveying Her Majesty's mails from the Mauritius, Australia and New Zealand, or any of them, should meet any of the vessels employed under this Contract at any port or place to which such last-mentioned vessels are bound to proceed, then and in such case it shall be lawful for the said Commissioners, or any of their authorized agents, to detain the vessels employed under this Contract at any such port or place, for any period not exceeding seventy-two hours from the time of the vessel employed under this Contract arriving at any such port or place, unless the vessel or vessels from the Mauritius, Australia and New Zealand shall not then have arrived at such port or place, in which case the vessel employed under this Contract shall remain at such port or place until the arrival of the vessel or vessels from the Mauritius, Australia and New Zealand, not exceeding, however, one hundred and twenty hours, unless such last-mentioned vessel or vessels be then in sight.

That if at any time or times, owing to stress of weather, or any other unavoidable circumstance, any vessel employed in the performance of this Contract shall not be able, in the opinion of the officer or person having charge of Her Majesty's mails, to reach in due course any of the places to which she ought to proceed, the same officer or person may and shall give such directions, and make such alterations for the particular case, as shall seem most expedient to him for the performance of the service; and any directions or orders which he may give in such cases shall be strictly obeyed by the master of every such vessel, who shall insert such alterations, and the reason thereof, in his log-book, which shall, whenever required, be produced to the said Commissioners, or to any of their officers or agents.

That the contractors shall and will, from time to time, and at all times during the continuance of this Contract, make such alterations or improvements in the construction, equipments, and machinery of the vessels which shall be used in the performance of this Contract, as the advanced state of science may suggest, and the said Commissioners may direct.

That the contractors shall receive and allow to remain on board each of the said vessels so to be, and while employed in the performance of this Contract, an officer of Her Majesty's navy, or any other person, to be severally appointed by the said Commissioners, to take charge of the said mails, and also a servant of the said officer or person, if required, and that every such officer or person shall be recognized and considered by the contractors and their officers, agents and seamen, as the agent of the said Commissioners in charge of Her Majesty's mails, and as having full authority in all cases to require a due and strict execution of this Contract on the part of the said contractors, their officers, servants and agents, and to determine every question, whenever arising, relative to proceeding to sea or putting into harbour, or to the necessity of stopping to assist any vessel in distress, or to save human life; and that the decision of such officer or person as aforesaid shall in each and every such case be final and binding on the contractors, unless the said Commissioners, on appeal by the contractors, shall think proper to decide otherwise, but it is understood that the above expression "to determine" every question, shall not confer upon such officer or person the power of compulsion in such cases.

That a suitable first-rate cabin, with appropriate bed, bedding and furniture, shall, at the cost of the contractors, be provided and appropriated by them for and to the exclusive use and for the sole accommodation of such agent of the said Commissioners, and also a proper and convenient place of deposit on board, with secure lock and key, for Her Majesty's mails; and that each and every of the said agents shall be victualled by the contractors as a chief cabin passenger, and be provided with wines and other liquors, without any charge
being

being made for the same, whilst Her Majesty's mails are on board; and that should all or any of such agents require a servant, such servant shall be also provided with a proper and suitable berth, and be duly victualled whilst on board by and at the cost of the contractors, without any charge being made for the same.

That Her Majesty's mails shall be conveyed in the said vessels, and be delivered and received at each of the places to which the said vessels are to proceed, in the performance of this Contract, and that at each port or place where the said mails are to be delivered and received, the agent having charge of Her Majesty's mails shall, whenever and as often as by him deemed practicable or necessary, be conveyed on shore, and also from the shore to the vessel employed for the time being in the performance of this Contract, together with or (if such agent consider requisite for the purposes of this Contract) without Her Majesty's mails, in a suitable boat of not less than four oars, to be provided and properly manned and equipped by the contractors; and that the directions of such agent shall in all cases be obeyed, as to the mode, time and place of receiving and delivering Her Majesty's mails.

That the contractors shall not receive, or permit to be received on board any of the vessels employed under this Contract, any letters for conveyance, other than those duly in charge of the said agent, or which are or may be privileged by law.

That if any vessel employed in the performance of this Contract having Her Majesty's mails on board, shall stop, linger or deviate from the direct course on her voyage (except from stress of weather, accidents, or when authorized as aforesaid), or shall delay starting at the proper time, or shall put back into port after starting, without the sanction in each and every case of the agent authorized to have the charge of the said mails, or, when so sanctioned, to put back into port, shall not again start and proceed direct, in performance of the service hereby contracted for, when and so soon as required by the said agent, then and in every of such cases, and as often as the same shall happen, the contractors shall and will forfeit and pay unto Her Majesty, Her heirs and successors, the sum of two hundred pounds; and that if any vessel which ought to leave the place of her departure with mails, in the performance of this Contract, shall not proceed direct on her voyage for twelve hours after the proper and appointed time (except as aforesaid), the contractors shall and will, so often as any such omission shall happen, forfeit and pay unto Her Majesty, Her heirs and successors, the sum of five hundred pounds; and also the further sum of five hundred pounds for every successive period of twelve hours which shall elapse, until such vessel shall proceed direct on her voyage in the performance of this Contract; but the contractors are not to be liable to any penalties under this Contract for any matters arising from circumstances over which they and their servants had not and could not have had any control, and which shall be so proved to the satisfaction of the said Commissioners.

That every agent authorized to have the charge of the said mails shall, either alone, or with such other persons as he may consider necessary, have full power and authority, as often as he may deem it requisite, to examine and survey, in such manner, and with the assistance of such persons as he may think proper, any of the vessels employed or to be employed in the performance of this Contract; and the hulls, machinery, equipments and crews thereof, on his giving reasonable notice in writing to the master for the time being of the vessel about to be examined, or to the person acting as such, of such his intention; and if any defect or deficiency be ascertained, and notice thereof in writing be given to such master or person, the said master shall immediately, or as soon as possible, thereupon remedy, re-place, or effectively repair or make good every such defect or deficiency.

And that the said Commissioners shall also have full power, whenever and as often as they may deem it requisite to survey, by any other of their officers or agents, all and every the vessels employed, and to be employed, in the performance of this Contract, and the hulls thereof, and the engines, machinery, furniture, tackle, apparel, stores and equipment of every such vessel, the said vessels to be opened in their hulls whenever the said officers may require; and if any such vessel, or any part thereof, or any engines, machinery, furniture, tackle, apparel, boats, stores or equipments shall, on any such survey, be declared by any of such officers or agents unseaworthy, or not adapted to the service hereby contracted to be performed, or if the said Commissioners shall deem it necessary or expedient that any alteration or improvement shall be made therein, or any part thereof, in order to keep pace with the more advanced state of science, every vessel which shall be disapproved of, or in which such deficiency, defect or want of improvement shall appear, shall be deemed inefficient for any service hereby contracted to be performed, and shall not be employed again in the conveyance of Her Majesty's mails until such defect or deficiency shall have been repaired or supplied, or the alterations or improvements, as the case may be, shall have been made to the satisfaction of the said Commissioners.

That the contractors, and all commanding and other officers of the vessels to be employed in the performance of this Contract, and all agents, seamen and servants of the contractors, shall at all times during the continuance of this Contract, punctually attend to the orders and directions of the said Commissioners, or of any of their officers or agents, as to the landing, delivering and receiving Her Majesty's mails.

And that all and every the sums of money hereby stipulated to be forfeited and paid by the contractors unto Her Majesty, Her heirs and successors, shall be considered as stipulated or ascertained damages, and shall and may be deducted and retained by the said Commissioners out of any monies payable, or which may thereafter be payable to the contractors, or the payment may be enforced as a debt due to Her Majesty, with full costs of suit, at the discretion of the said Commissioners.

That in the event of any accident occurring to the hull or machinery of one or more of the said contract vessels, arising from circumstances over which the contractors and their ser-

vants had not and could not have had any control, and that, in consequence thereof, the mails should be carried on or conveyed by any of Her Majesty's or of the East India Company's vessels, a deduction or abatement is to be made from the contract service-money, at the rate of twenty shillings per nautical mile, if on the line between Calcutta and Suez, and twelve shillings per mile if on the line between Hong Kong and Ceylon, for the distance which the mails may have been so conveyed, such distance to be ascertained and determined by the hydrographer of the said Commissioners, or such amount shall be recoverable as a debt due to Her Majesty, with full costs of suit.

That the said contractors shall and will receive on board each and every of the said vessels employed in the performance of this Contract any number of small packages containing astronomical instruments, charts, wearing apparel, or other articles, and convey and deliver the same to, from and between all or any of the said ports or places to or from which the said mails are to be conveyed in the performance of this Contract, when and as often as directed by the said Commissioners, or their secretary, as respects articles which may leave England, and as respects other articles conveyed, when and as often as directed by the British naval officer in command, at any port where the vessel may touch, free from all costs and charges; and also shall and will receive on board each and every of the said vessels, and convey and deliver to, from and between all or any of the said ports or places, any naval or other stores, not exceeding five tons in weight, at any one time, in any one vessel, at the rate of freight charged by the contractors for private goods, on receiving from the said Commissioners, or any of their officers or agents, two days' previous notice of its being their intention to have such stores so conveyed, and that the said contractors shall in all cases be strictly responsible for the due custody and safe delivery of the said packages, articles and stores.

That if at any time during the continuance of this contract the said Commissioners shall deem it requisite to alter the particular days and hours of departure appointed for the departure of the said vessels from any of the places which the said vessels are to leave, they shall be at liberty at any time or times, or from time to time, to alter the days and hours of departure, on giving a notice in writing of such their intention to the contractors, provided that any such alteration in the time of departure shall not be such as to prevent the service from being performed by three vessels only between Calcutta and Suez, and two vessels between Point de Galle or Trincomalee and Hong Kong.

And it is hereby declared and agreed, that this Contract shall commence on the First day of January One thousand eight hundred and Forty-five, and shall continue in force for seven years, and thenceforward until the expiration of a written notice of twelve calendar months, which may, at the termination of such seven years, or at any period of any year afterwards, be given either by the said Commissioners, under the hand of either of their secretaries, to the said contractors or their secretary, or by the contractors to the Commissioners, for the discontinuance of the same.

And it is hereby agreed, that the said Commissioners shall, at any time during the continuance of this Contract have power and be at liberty to purchase all or any of the said vessels at a valuation, or to charter the same exclusively for Her Majesty's service, at a rate of hire to be mutually fixed and agreed on by them and the contractors. But if any difference should at any time or times arise as to the amount of valuation or hire so to be paid, such difference shall be referred to two arbitrators, one to be chosen from time to time by the said Commissioners, and the other by the contractors, and if such arbitrators should at any time or times not agree in the matter or question referred to them, then such question in difference shall be referred by them to an umpire, to be chosen by such arbitrators before they proceed with the reference to them, and the joint and concurrent award of the said arbitrators, or the separate award of the said umpire, when the said arbitrators cannot agree, shall be binding and conclusive upon all parties.

And it is further agreed, that, in case of such purchase or hire, the service hereby contracted to be performed, shall be performed by other vessels of the contractors of a similar description to the vessel or vessels purchased or hired, if they can in due and proper time furnish them, such other vessels as to construction, machinery, equipment and crew, to be subject to the same approval as other vessels employed under this Contract. And in the event of the contractors being allowed by the said Commissioners to continue to perform only a portion of the service, there shall be paid to the contractors such annual sum of money as shall be agreed upon by the said Commissioners and the contractors, and in case of their differing as to the amount, the difference to be settled by two arbitrators, or an umpire, to be chosen respectively as aforesaid.

And it is agreed, that any submission which may be made to arbitration in pursuance of this Contract, shall be made a rule of Her Majesty's Court of Exchequer, pursuant to the statute in that case made and provided, and that any witnesses examined upon any reference may be examined upon oath.

And in consideration of the due and faithful performance by the contractors of all the services hereby contracted to be by them performed, the said Commissioners do hereby agree, that there shall be paid to the contractors, so long as they perform the whole of the said services by bills at sight, payable by Her Majesty's Postmaster-general, the following sums, in equal quarterly payments; that is to say, for the service between Calcutta and Suez, a sum after the rate of one hundred and fifteen thousand pounds per annum; and for the service between Ceylon and Hong Kong, a sum after the rate of forty-five thousand pounds per annum.

The first of such quarterly payments for the service between Calcutta and Suez to be made due and be made on the First day of April One thousand eight hundred and Forty-five.

And the first quarterly payment for the service between Ceylon and Hong Kong shall become due within three months from the time of the commencement of such service.

And

And it is hereby further agreed and provided, that without the consent of the said Commissioners, signified in writing under the hand of one of their secretaries, neither this Contract nor any part thereof, shall be assigned, underlet or disposed of; and that in case of the same, or any part thereof, being assigned, underlet or otherwise disposed of, without such consent signified as aforesaid, or of any breach of this Contract on the part of the contractors, their officers, agents or servants, it shall be lawful for the said Commissioners for executing the said office of Lord High Admiral (if they think fit, and notwithstanding there may or may not have been any former breach of this Contract) by writing, under the hand of one of their secretaries for the time being to determine this Contract, without any previous notice to the contractors or their agents, nor shall the contractors be entitled to any compensation in consequence of such determination; but even if this Contract be so determined, the payment of the sum of money hereinafter agreed to be made shall be enforced, should the same be not duly paid by the contractors.

And it is also agreed that the notices or directions which the same Commissioners, or their secretary, officers or other persons, are hereby authorized and empowered to give to the said contractors, or to their or any of their officers, servants or agents, may, at the option of such Commissioners, or of their secretary, officers or other persons, be either delivered to the master of any of the said vessels, or other officer, agent or servant of the contractors in the charge or management of any vessel employed in the performance of this Contract, or may be left at the last known office or house of business of the said contractors in London.

And, lastly, for the due and faithful performance of all and singular the covenants, conditions, provisos, clauses, articles and agreements hereinbefore contained, which on the part and behalf of the contractors are or ought to be observed, performed, fulfilled and kept, the contractors do hereby bind themselves and their successois unto our Sovereign Lady the Queen, in the sum of thirty-five thousand pounds of lawful money of the United Kingdom, to be paid to our said Lady the Queen, Her heirs and successors, by way of stipulated or ascertained damages hereby agreed upon between the same Commissioners and the contractors, in case of the failure on the part of the contractors in the due execution of this Contract, or any part thereof.

In witness whereof, two of the Commissioners for executing the office of Lord High Admiral have hereunto set their hands and seals, and the said contractors have hereto set their corporate seal, the day and year first above written.

Sir,

East India House, 12 December 1844.

I AM commanded by the Court of Directors of the East India Company to acknowledge the receipt of your letter of the 3d instant, enclosing copy of the Contract about to be entered into between the Lords Commissioners of the Admiralty and the Peninsular and Oriental Steam Navigation Company, for the conveyance of the mails between Calcutta and Suez, and between Ceylon and Hong Kong, and to submit the following remarks for the consideration of the Board of Commissioners thereon.

2. It appears, from the paper you have transmitted, that the proposed contract is to take effect from the 1st January 1845; that the first voyage between Calcutta and Suez is to be commenced on the 10th of that month, and that the first quarterly payment of that portion of the contract service money which relates to the Calcutta and Suez line is to be made on the 1st April 1845; but as the Court have not been informed whether due provision has been made by the Lords Commissioners of the Admiralty for conveying between Egypt and this country, *vid* Marseilles and *vid* Southampton, the mails contemplated by that contract, in the same way as they do the Bombay mails, and as they have not, consequently, been in a position to advise the Indian Governments of the intended arrangements, the Court consider that it would not only be premature, but it would cause disappointment to the public, as well as embarrassment to the Post Office authorities in India, to give the contract such early operation; and the Court feel that they should be in possession of distinct information upon this important part of the subject, before they waive their right of objecting to an instrument, the operation of which will involve the Indian revenue in a very large disbursement.

3. With regard to the contract itself, so far as the very limited time afforded to them for its consideration will enable them to judge, it appears to the Court to embody the leading points involved in the correspondence which passed upon the subject between the Earl of Ripon and the Chairman and Deputy Chairman; they desire me, however, with reference to that correspondence, to suggest that an alteration should be made in that part of the 8th page of the draft, where provision is made for deduction from the contract service-money, in cases when the mail may be conveyed "by any of Her Majesty's vessels," by inserting between the two last-quoted words the words "or of the East India Company;" and it should be, of course, understood that the amount so deducted by the Lords of the

Admiralty is to be allowed by Her Majesty's Government to the East India Company, in abatement of the next accruing instalment of the 70,000*l* per annum, which the Company will have to pay towards the intended contract

4. With respect to that portion of the proposed contract which relates to the mails between Ceylon and Hong Kong, the Court are not aware that the Peninsular and Oriental Steam Navigation Company are yet prepared to enter upon that service; and they observe, with satisfaction, that no payment of the contemplated service-money* is to be made to the contractors before the expiration of three months from their actually commencing that service; therefore the Court presume that a rateable deduction will be made from the above-mentioned sum of 70,000*l* per annum, until Her Majesty's Government shall be required to make any payment to the contractors on account of that part of their mail service.

*£.45,000 per ann.

5. And, in conclusion, I am to observe, with reference to the power reserved to themselves by the Lords of the Admiralty, to continue the contract beyond the period of seven years, that the Court are desirous that they should not be in any way understood as having surrendered their right to revise the amount of the Company's annual contribution at the end of the current seven years.

I am, &c.

J. Emerson Tennent, Esq., M.P.
&c. &c. &c. India Board.

(signed) J. C. Melvill,
Secretary.

Sir,

India Board, 31 December 1844.

IN reference to your letter of the 12th instant, I am directed by the Commissioners for the Affairs of India to transmit to you copy of a reply to a communication from this Board, made to the Admiralty, upon the subject of that letter.

As the Board conceive that the several inquiries made by the Court of Directors, as arising from their consideration of the contract for the service of the steam mail communication between this country and India, are best answered by the observations made by the Admiralty, they deem it sufficient to transmit their letter without further comment.

I am, &c.

J. C. Melvill, Esq.

(signed) Hugh Stark.

Sir,

Admiralty, 24 December 1844.

HAVING laid before my Lords Commissioners of the Admiralty Mr. Stark's letter of the 16th instant, transmitting the copy of a letter from the Court of Directors of the East India Company, respecting the intended contract with the Peninsular and Oriental Steam Navigation Company, for the service of the mails in the Indian Seas, I am commanded by their Lordships to acquaint you, for the information of the Commissioners for the Affairs of India, that Her Majesty's Government are pledged to find the means of conveying the mails between Egypt and England, in conformity with this intended contract, for the commencement of which, on the 1st January 1845, the Peninsular and Oriental Steam Navigation Company have made arrangements.

My Lords have directed the words "or of the East India Company" to be inserted between the words "Majesty's" and "vessels" in the clause where provision is made for a deduction from the contract service money for the conveyance of the mails by other than the vessels of the contractors, in compliance with the wish expressed by the Court of Directors; and my Lords see no objection to the pecuniary arrangement proposed.

With respect to the service between Ceylon and Hong Kong, the Peninsular and Oriental Steam Navigation Company have informed my Lords that they will be in a position to commence this branch of the mail communication on or before the 1st August next.

I am, &c.

J. Emerson Tennent, Esq., M.P.

(signed) John Barrow.

MEMORANDA, &c. referred to in the CORRESPONDENCE between the Chairman and Deputy Chairman of the EAST INDIA COMPANY and Lord Ripon, President of the India Board, respecting the proposed Contract for a Line of Steam Communication from *Calcutta to Hong Kong, &c.*

MEMORANDUM of the Heads of a Plan for the Acceleration of the INDIAN MAILS Overland, together with a proposed Reduction in the Expense of conducting that Service, submitted by the Managing Directors of the PENINSULAR and ORIENTAL STEAM NAVIGATION COMPANY.

HEADS.

No. 1.—An estimated saving in the service of about 60,000*l.* per annum.

No. 2.—An acceleration in the transmission of the Indian mails, by which they would arrive in London on or about the 1st of every month, or in sufficient time to admit of replies to the same being forwarded by the outward mail of the 4th of the same month.

Note on No. 2.—The Peninsular and Oriental Steam Navigation Company would bind themselves to accomplish No. 2 under ordinary circumstances, and so far as the service would be under their control, or forfeit on each occasion of default the sum of 1,000*l.*

HEAD No. 1.—EXPLANATION.

By a Return to an Order of The House of Commons recently presented, it appears that the cost and outfit of the steam-packets provided and employed by the East India Company for the transmission of the India mails between Bombay and Suez amounted in round numbers to 300,000*l.*, and that their annual expense for wages, provisions, fuel and other items connected with their navigation, after deducting the receipts from passage-money, amounted, on an average of the last four years for which the accounts are made up, in round numbers, to 71,000*l.*

The actual annual cost of the packet establishment for transmitting these mails between Bombay and Suez will therefore stand thus:

	£.
Wages, provisions, fuel, &c. after deducting passage-money received	71,000
Wear and tear and depreciation of vessels and machinery 15 per cent. on the amount of their cost and outfit, say 300,000 <i>l.</i>	45,000
Insurance or risk in lieu thereof 6 per cent. per annum, being the lowest rate of premium at which vessels of the best character and under the best management can be insured	18,000
Interest on capital at 4 per cent.	12,000
Total Annual Cost	£. 146,000

Of which,

	£.
The British public pays by an annual Vote of Parliament	50,000
Leaving as a charge on the revenue of India	96,000
	£. 146,000

The steam-packets at present employed in the service are from 200 to 250 horse-power.

The Peninsular and Oriental Steam Navigation Company are in a position to undertake the execution of the service with vessels of 620 horse-power to effect an acceleration, as particularized under Head No. 2, for an annual payment of about

Which, assuming the foregoing estimate to be correct, would effect a saving per annum of	66,000
	£. 146,000

N. B.—As the Peninsular and Oriental Company are bound by an arrangement with the East India Company to perform six voyages during the year 1844 between Suez and Calcutta, and have the option of calling at Bombay, should they, the Peninsular and Oriental Company, think proper to do so, and it is very probable that, in order the better to cover their

their expenses by an additional receipt of passage-money, the Peninsular and Oriental Company's vessels will call at Bombay during the year 1844: in such case, of the 43,000*l.* grossed by the East India Company's vessels for passage-money last year, at least one-half would be taken away by the Peninsular and Oriental Company's vessels, and the East India Company's receipts decreased, or, what is the same thing, their expenses increased, say to the extent of at least 25,000*l.* Therefore the saving to be obtained by the plan now suggested will probably be 91,000*l.* per annum, instead of 66,000*l.*, as above estimated.

EXPLANATION of the proposed Mode of effecting the Acceleration alluded to under Head No. 2.

The Peninsular and Oriental Steam Company's ship "Hindustan" started from Suez for Aden, Ceylon, Madras and Calcutta on the 25th February last, at 11 o'clock A.M.

The East India Company's steam-packet "Atalanta" started from Suez for Aden and Bombay on the 24th February, at 6 o'clock P.M., being 18 hours in advance of the Hindustan.

The "Atalanta" arrived at Aden on the 5th March, 30 m. A.M. The "Hindustan" arrived at Aden on the 3d March at 2 o'clock P.M., performing this part of the passage in 52 hours less than the "Atalanta," and performing the whole distance between Suez and Aden, being 1,320 miles in 147 hours, or 6 days 3 hours.

As the two vessels pursued different routes after leaving Aden, the "Atalanta" proceeding to Bombay and the "Hindustan" to Ceylon Madras, and Calcutta, a comparison of the actual speed of the two vessels cannot be followed further. It may not, however, be irrelevant to remark, that the "Hindustan," although pursuing the circuitous route round the Island of Ceylon, and making stoppages at Point de Galle and Madras, arrived at Calcutta one day previously to the mails brought by the "Atalanta" to Bombay, and thence forwarded by express dawk to Calcutta.

The distance from Suez to Bombay is - - - - - 2,920 miles.
The distance from Suez to Aden is - - - - - 1,320 miles.

Assuming, therefore, that the "Hindustan" would have performed the distance between Aden and Bombay at the same rate of speed as she did the distance from Suez to Aden, it follows that she would have done the whole passage between Suez and Bombay in 325 hours, or 13 days 13 hours; allowing for stoppage at Aden one day, the mails would be transmitted between Suez and Bombay in 14 days 13 hours, or say 14 days and a half.

The mails despatched from Bombay on the 1st of every month would therefore arrive at Suez under ordinary circumstances on the 15th or 16th of every month, and would be ready to be embarked at Alexandria on the 19th or 20th; they now seldom arrive at Suez until the of the month, nor are despatched from Alexandria until the 22d to the 26th of the month; consequently an acceleration by the plan proposed of 3 to 4 days would be gained on the Indian sea voyage, which would enable that portion of the mails brought through France *via* Marseilles to arrive in London generally in such time as to admit of replies being sent by the outward mails of the 4th of every month, instead of being detained until the mails of the following month, as is now usually the case.

If, however, the conveyance of the mails in the Mediterranean for the whole distance between Alexandria and Marseilles were entrusted to this Company, they would have no difficulty in undertaking to place the homeward mails at Marseilles in such time as to insure their arrival in London by the 1st of every month, and to afford until the 5th of every month for despatching the outward mails; thus giving four clear days between the arrival and departure of the mails for replying to correspondence, and gaining a whole month in the communication with India, China &c., not only for London, but for Liverpool, Manchester, Birmingham and the principal other great manufacturing towns and districts of England.

The managing directors are prepared to submit to the Government their plan for this important improvement if required. The additional expense which it would involve would be insignificant.

REMARKS.

In submitting the preceding suggestions, it has not been overlooked that the steam-packets employed by the East India Company form part of the Indian Navy, and that there may be some objections to any reduction of that establishment.

When, however, the new character which our relations with China has assumed is contemplated, the establishment and maintenance of a steam communication with that country *via* the Straits of Malacca and Singapore seems to be almost indispensable.

If this view be correct, no reduction of the Indian Navy would be necessary in consequence of the accelerated mail service between Suez and India being undertaken by the Peninsular and Oriental Company; the East India Company's vessels now employed in the service between Bombay and Suez could be advantageously employed in the contemplated service between India and China.

It is further submitted, that the acceleration herein suggested would supersede the necessity of the establishment of a semi-monthly mail communication with India now so strongly called for by the merchants and others connected with India and China.

51, St. Mary Axe,
30 June 1843.

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MEMORANDUM

MEMORANDUM respecting the proposed Plan of the PENINSULAR and ORIENTAL STEAM COMPANY for conducting the OVERLAND INDIA MAIL SERVICE.

HEAD No. 1.—An estimated Saving in the Service of about 60,000*l.* per Annum.

THE calculation whereby the Peninsular Company arrive at this estimated saving is based upon erroneous data. They state, on the authority of a Parliamentary Return, that the "cost and outfit of the steam-packets provided and employed by the East India Company for the transmission of the mails between Bombay and Suez, amounted in round numbers to 300,000*l.*, and that their annual expense for wages, provisions, fuel and other items, after deducting the receipts from passage money, amounted, upon an average of the last four years, in round numbers, to 71,000*l.*" Those Returns were prepared to meet orders of The House of Commons for "Returns of Steam-vessels employed by the East India Company in the Mail-packet Service," and it was therefore necessary to specify every vessel known to have been so employed under the pressing exigencies of the public service of India during the period embraced by the Returns. So long, however, as the mail was carried, it was immaterial to the Company whether the vessel carrying it was a packet or a frigate, and eight vessels appear to have been employed, while four would have been enough for the service if set apart and exclusively used as packets; therefore the mail service ought not to be charged with the cost and outfit of a larger number for the 12 passages between Bombay and Suez, in each year, than four vessels, or one-half of the number charged by the Peninsular and Oriental Company, and the cost should therefore be reduced in proportion; and in this view of the case, the cost and outfit should not be stated above 150,000*l.*, and then the annual expense of the packet service between Bombay and Suez would appear to be as follows:—

	£.
Wages, &c. - - - - -	71,000
Wear and tear, &c, at 15 per cent. - - -	22,500
Insurance, &c., at 6 per cent. - - -	9,000
Interest on capital, at 4 per cent. - - -	6,000
	408,500
Whereof the British public pay by annual vote of Parliament - - - - -	50,000
	£. 58,500

instead of 96,000*l.*, as stated by the Peninsular Company; while, on the same principle of calculation, the yearly saving they assume as the result of their management of the whole line for an annual payment of 80,000*l.* will be reduced from 66,000*l.* to 28,500*l.*

HEAD No. 2.—An Acceleration in the Transmission of the Indian Mails, &c.

The transmission of the mails might certainly be accelerated, but principally on the European side of the Isthmus of Suez, as it has been shown that, in the working of the existing contract with Her Majesty's Government, the Peninsular and Oriental Company have always had time to spare at the several stations at which their vessels call; moreover, on occasions when the departure of the outward mail *via* Marseilles has been put off till the 6th of the month, it has always reached Malta in time to fall in with their steam-vessel which was carrying the mail *via* Falmouth; if, also, the Peninsular Company's vessels were to go direct between Alexandria and Marseilles, there would be time saved. There is no advantage or useful result in the comparison between the "Atalanta" and the "Hindustan," in their late trip together between Suez and Aden, because, independently of the fact of the "Atalanta" being the smallest powered vessel now employed by the East India Company in conveying the mails, there can be no doubt that vessels of the size and power of the "Hindustan" would shorten the period of the passage between

between India and Suez; but whether it could be reduced to a passage of 14 days and a half between Bombay and Suez, with the necessary degree of certainty, is, at least, doubtful, while the length of the passage between Bengal and Suez being double, the risk of accident or detention must be in proportion. It may be sufficient to observe, that at present the arrangements of the East India Company are framed expressly to fall in with those made by Her Majesty's Government in Europe; that object has been accomplished hitherto, and should any fresh arrangement be entered into by the Government as to the Mediterranean branch, the Court of Directors can direct the Indian Government to alter the periods of despatching their mails to accommodate the new system.

Before any such proposal as that contemplated in their memorandum receives serious attention, the Peninsular Company ought to prove themselves in a position, not only to undertake, but faithfully and punctually to execute a contract of such magnitude and importance to the British and Indian communities as the transmission of the mails; they have yet but one vessel on the line, and another expected shortly to be sent hence; their proposed penalty or forfeiture of 1,000 *l.* on each occasion of default is not the security the public require, because, as merchants, it might pay the contractors better to wait for passengers than to carry the mails to time.

The East India Company are at present pledged to Her Majesty's Government, and to Parliament, for the punctual performance of this important trust; it is done at an easy charge to the British nation, who, moreover, derive all the postage revenue in the transit; the Bombay line for the mail communication is more advantageous to India generally than any other, as letters to all parts of India, between Bombay and Calcutta, will reach their destination earlier than by the more circuitous route of Calcutta; and, under such circumstances, independently of political considerations, the East India Company ought not to abandon it, nor does it appear likely that they could surrender their privilege of carrying their own despatches, even if a private Company did convey the public mails. The mail service certainly gives a more extended field of action to the Indian navy establishment, and it affords an excellent opportunity to its many young and rising officers to acquire and perfect their professional knowledge. No reduction, however, of their strength would follow; but as to the packet-vessels being employed, as suggested, in the establishment and maintenance of a steam communication with China *vid* the Straits of Malacca and Singapore, it may be said that such a communication is one of those speculations which more legitimately belong to a body like the Peninsular and Oriental Company, and would be more properly arranged between them and Her Majesty's Government, who manage the British relations with China.

The Peninsular Company are under engagement to perform six voyages during the year 1844 between Suez and Calcutta, and have not only the option of calling at Bombay, but may be required by the East India Company to do so, for the money they have granted to them; but it is very difficult to conceive how this can be done with their present means and prospects: the larger accommodations of their vessels, and, possibly, reduced rates for passage, may tempt many passengers from the East India Company's steamers; but the financial results of their calling at Bombay are very much overstated in the memorandum of the Peninsular Company, which assumes that their vessels will take all the passengers during their six trips.

28 July 1843.

MEMORANDUM.

THE conveyance of the mails between Bombay and Suez, as at present conducted by the East India Company, occupies, on an average, about 18 days. The Peninsular and Oriental Company offer to effect it in 15 days, and to secure the arrival at Suez on the 16th of the mails despatched from Bombay on the 1st of each month. The means they possess of fulfilling this engagement are three steam-vessels, each of 1,800 tons and 520 horse-power, very superior to any belonging to the East India Company. One of these, the "Precursor," would start from Bombay on the 1st of every alternate month, and on the 1st of every intermediate month: one of the two other vessels (the "Bentinck" and "Hindustan"), which are bound to keep up a two-monthly communication between Calcutta and Suez, would touch at Bombay on her way to Suez. Supposing the
three

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three vessels above mentioned to possess the speed ascribed to them, there is no reason to doubt that they might do all the work that is proposed for them, except in case of accident: accidents, however, may occur, and must be provided against.

One or more of the steamers may require repair, or may be wrecked, and others must be provided expressly to take their places; otherwise, as no other vessels of equal size and power exist in India, the regular conveyance of the mails will be continually liable to interruption for the number of months required to obtain fresh vessels from England. The Peninsular and Oriental Company accordingly propose to reserve for accidents the "Lady Mary Wood" and "Pacha," vessels of 650 tons and 260 horse-power; that is to say, they propose to substitute occasionally these vessels for vessels of more than double the size, and expect that they will perform in 15 days a voyage for which the East India Company's vessels of nearly similar description require 18.

It is obvious that this will never do, and that the "Hindustan," "Bentinck" and "Precursor" can only be replaced by vessels like themselves. The Peninsular and Oriental Company must therefore be prepared to provide five vessels of 1,800 tons and 520 horse-power; but the additional expense to which they will then be put will absorb all their revenue, and leave nothing as interest on their capital.

This will appear from the following estimate of the expense of maintaining a communication between Bombay and Suez, and of the probable returns from the same. The calculations are based upon data furnished by the Peninsular and Oriental Company themselves, in their Secretary's letter to Mr. Melvill, without date, but received in April 1841.

Insurance and Wear and Tear of "Precursor" (the vessel intended to run solely between Bombay and Suez) 21 per cent. on 55,000 <i>l.</i> , the price for which she has been offered to the Peninsular and Oriental Company - - - -	£.	£.
	11,550	
Ditto, ditto, of the "Hindustan" and "Bentinck," (the vessels intended to run between Calcutta and Suez, touching at Bombay), 21 per cent. on 170,000 <i>l.</i> , 35,700 <i>l.</i>		
Whereof one-half is regarded as part of the cost of communication between Bombay and Suez - - - -	17,850	
Ditto, ditto, of one of the two reserved vessels, 10½ per cent. on 65,000 - - - -	8,925	
		38,325
Wages and provisions of officers and crew of "Precursor," at 750 <i>l.</i> per month - - - -		9,000
One-half of ditto of "Hindustan" and "Bentinck" - - - -		9,000
Wages and provisions of officers and crew of one of the two reserved vessels - - - -		4,500
Oil, tallow, waste and sundry stores, at 360 <i>l.</i> per month, for 12 voyages from Bombay to Suez, and back, of 30 days each - - - -		4,320
Coal for 8,640 hours steaming at 35 cwt. per hour, at 2 <i>l.</i> 10 <i>s.</i> per ton -		37,300
Wastage, &c, at 10 <i>s.</i> per ton - - - -		7,560
One-half of the expense of agencies, rents, clerks' salaries, &c., estimated at 1,000 <i>l.</i> per mensem - - - -		6,000
Total Expenditure - - - £.		116,005
Deduct Revenue:	£.	
Contribution demanded from East India Company - - -	80,000	
Receipts from passengers, supposing 30 to be the average number in the 24 voyages to and from Bombay, and that the net profit per head be 40 <i>l.</i> , 30 × 24 × 40 - - - -	28,800	
Freight of goods, say 250 <i>l.</i> per voyage - - - -	6,000	
		114,800
Loss, exclusive of Interest on Capital - - - £.		1,200

It has been assumed in a preceding memorandum that the Peninsular and Oriental Company's vessels would be able (barring accidents) to perform the voyages between Bombay and Suez in 15 days. This assumption, however, is only partially confirmed by experience. The "Hindustan" in the course of the present year has made three voyages from Calcutta to Suez and back, touching at Madras, Ceylon and Aden. The time, including stoppages, occupied in these voyages was as follows:—

From CALCUTTA to SUEZ.				Hours.	From SUEZ to CALCUTTA.				Hours
In January	-	-	-	631½	In March	-	-	-	606½
April	-	-	-	537	June	-	-	-	574½
August (monsoon)	-	-	-	725	October	-	-	-	570

The distance between Calcutta and Suez being (according to the Peninsular and Oriental Company) 4,787 miles, and between Bombay and Suez 2,920 miles, the voyage between the latter places would, at the rates of speed shown above, have been performed as follows:—

To SUEZ.					From SUEZ.									
	Hours.	Days.	Hours.		Hours	Days	Hours		Hours					
In January	-	-	385	or	16	1		In March	-	-	369	or	15	9
April	-	-	327	„	13	15		June	-	-	350	„	14	14
August	-	-	442	„	18	10		October	-	-	347	„	14	11

In consequence of the recent failure of the "Victoria" to make the voyage to Suez against the monsoon, there was no vessel of the East India Company ready at Suez to take on the London mails of September. They were consequently placed on board the "Hindustan," which left Suez on the 22d of September, and anchored off Calcutta (*see* the "Indian News") on Wednesday, October 18, at 10 A. M. If these mails had been conveyed from Suez on the same date by the usual East India Company's packet, they would, supposing the voyage to Bombay to have occupied 18 days, and the dawk to Calcutta nine days, have reached Calcutta on the 19th October at 4 P. M. If, however, the voyage to Bombay had occupied, as it very frequently does, only 17 days, the mails would then have reached Calcutta on the 18th October, six hours later than they actually did on board the "Hindustan."

MEMORANDUM.

IN the present plan of the Peninsular and Oriental Steam Navigation Company, there is nothing relating to their means and capabilities of performing the distance and preserving regularity on the Indian side of the Isthmus, to which the observations made in previous memoranda do not equally apply; their method of conducting the communication between London and Alexandria is similar to what the Court stated in the proposed communication to Sir George Larpent, all of which is perfectly practicable at no very great expense, and should an accident happen, there are means of remedy; the certain power of reply to letters in England being to the public at large of greater consequence than the chance of reply in India, with the probable risk of failure at each extremity of the communication.

The novelty in their proposal is, that the East India Company should keep the communication between Bombay and Aden only; their steam-vessels delivering to and receiving from the Peninsular and Oriental Company's vessels at Aden, the mails and passengers to and from Bombay, and that the Peninsular and Oriental Company should receive payment at the rate of 22 s. per mile for the remaining distance to be run, viz., between Suez, Aden, Ceylon, Madras and Calcutta, in the 12 communications annually.

The

The distance is calculated by the Peninsular and Oriental Company at 115,200 miles, and thus the amount to be paid to them would be 126,720 *l.* annually, leaving the expense of 12 annual communications between Bombay and Aden to be, as now, borne by the East India Company, which at the same rate per mile would be 39,600 *l.* per annum more, or (at the rate of 30 *s.* per mile, which they assume as the present cost of the communication to the East India Company) 54,000 *l.* per annum more.

	£
	126,720
Add	39,600
	166,320
Less	20,000
	£. 146,320 p' annum.
	£.
	126,720
Add	54,000
	180,720
Less	20,000
	£. 160,720 p' annum.

This would be sufficient to show the disadvantage of such a contract to the East India Company (if the question rested on financial grounds; but the Court's views in the matter are based upon the general grounds of expediency and policy, as well as a regard to what is due to the public, and to the responsibility of the Government of India, all which forbid the entertainment of any proposal which should interfere with the continuity in their hands of the line between Bombay and Suez.

With respect to the Court's grant of 20,000 *l.* for five years in aid of the communication between Suez and Calcutta, it will be seen, on reference to the correspondence between the Peninsular and Oriental Company and the Court, that the grant was made as a *bonus* by the governing body of India, to parties who were about to establish the direct communication with Madras and Calcutta by steam-vessels, not only for the accommodation of the public, but for their own benefit as capitalists; that, upon solicitation, the originally stringent terms upon which the payment of 20,000 *l.* per annum was to be earned were, with great liberality, materially relaxed by the Court, and that the 4th clause of those terms which they now quote, means nothing more than to save the Company from a double payment, supposing they (the East India Company) should think fit during the five years to enter into a contract with the same parties to convey the public mails, not only on the line contemplated by the Peninsular and Oriental Company, but also with Bombay, where they must go if the Court require them.

My dear Lord,

East India House, 26 January 1844.

THE deputy and I have looked over your correspondence with the Admiralty regarding steam communication with India and with China.

Without meaning to dispute the advantages of the contract system for the conveyance of mails when adopted in Europe, where, if the contractor fail, other means for supplying the deficiency become instantly available, we submit to your Lordship that the case is widely different with respect to India, where, if a contract be made, and the contractor fail (and who can say how soon and how often there may be, at least, partial failures, where the strength of vessels will be only just sufficient for the service), there is no commercial steam marine to supply the deficiency, and consequently either the mail communication would be stopped, or the Government must resume it; and if the Government are to have vessels always ready to supply deficient means on the part of the contractors, how is the supposed financial saving to be accomplished? It is our deliberate conviction that if a contract were resorted to, we could not without risking the public interests make any material reduction in our establishments. We think that upon other grounds, some political, and others affecting the efficiency of the Indian navy, it is desirable that the mail communications should continue to be conducted by that establishment, and we submit that these are grounds which should have due weight with your Lordship before you entertain any scheme for transferring the mails to a private company.

The deputy and I are quite aware that our arrangements between Bombay and Suez are susceptible of some improvements, although we think it will appear, upon inquiry, that the necessity for change has been greatly magnified by disappointed and interested parties; the enclosed statement, prepared, we believe, by Captain Henderson, will show that the "Aebar" and the "Memnon" have done better than the larger vessels of the Peninsular and Oriental Company, and although the Admiralty would seem to give the preference to the latter, yet we confess, that so far as we can judge from observing the performances of our own vessels, and those of the Halifax steam-boats, we should be strongly inclined to prefer them to vessels of larger size.

This, however, is a point for consideration; it is sufficient at present to repeat, that as soon as it is determined that the line between Bombay and Suez shall remain in the hands of the East India Company, we shall be prepared to provide the vessels deemed most suitable, in view to the acceleration and security of the mails.

We are also fully sensible of the importance of the arrangements being so framed as to accomplish, if possible, the wish of the public regarding answers by the return mail, and are disposed to think that this object can only be effectually secured by making the communication semi-monthly, instead of monthly; but by whatever means it may be secured, the Court will, we are sure, be quite ready to do all that can be reasonably expected.

The mail communication, whether monthly or semi-monthly, should, we submit, remain with us. With respect to passengers between Calcutta and Suez, the Court have already shown a strong disposition to encourage that object, and would, probably, be prepared in the same spirit to consider any reasonable proposition for further encouragement which might be combined with arrangements with the Peninsular and Oriental Company in view to carrying on the line to China for mail as well as for passenger purposes, if Her Majesty's Government thought fit to enter upon them.

I remain, &c.
(signed) *John Cotton.*

The Right honourable the Earl of Ripon.

ACCELERATION of the INDIAN MAILS.

PUBLIC attention has been called to this subject by the efforts made by a London Steam Company to obtain a monopoly of all the Government assistance to steam navigation in the East Indies, as well as of all the passengers by that route.

Their proposals were, in effect, that the duty of conveying the mails between Bombay and Suez should be transferred from the officers and vessels of the Indian Government to those of the Peninsular and Oriental Steam Navigation Company of London, with a public grant of 80,000 *l.* a year. These proposals were based on the assertion and assumption at public meetings, and through the press, that the steam vessels of the Indian Government are inadequate to or incapable of performing that service with efficiency, while the substitution of the steamers of the Peninsular and Oriental Company for conveying the mails formed the chief means by which the wished-for acceleration was to be accomplished.

The following comparative statement of the performances of the vessels, and the means at the disposal of each party for effectually establishing and accelerating the mails between Bombay and Suez, will demonstrate how far this assertion and assumption are borne out by facts:

GOVERNMENT VESSELS belonging to the INDIAN NAVY stationed at *Bombay*.

The "Memnon," of 400 horse-power, and 1,140 tons O. M., was despatched to India early in 1842, and steamed to the Cape of Good Hope in 42 days.

The "Memnon" left Bombay 20 July, at 4 P. M., and was wrecked on Cape Guardafui, at 11 P. M., 1st August, being 12 days 7 hours accomplishing a passage almost direct against the strength of the south-west monsoon; the course from Bombay to Cape Guardafui being west south-west.

The "Akbar" left Penang on the 15th of August, and arrived at Aden on the 7th of September, having passed Guardafui only three or four days later than the "Hindustan," effecting the passage in one run, without stoppage, of 4,498 miles, in one hour less than 23 days, averaging 196 miles a day.

The "Akbar," of 350 horse-power, and 1,140 tons O. M., was despatched to China

VESSELS belonging to the PENINSULAR and ORIENTAL STEAM NAVIGATION COMPANY of *London*, stationed at *Calcutta*.

The "Hindustan," of 520 horse-power, 1,650 tons O. M., despatched to India in September 1842, and steamed to the Cape of Good Hope in 50 days 17 hours, and to Madras in 87 days.

The "Hindustan" left Calcutta on the 10th August 1843, and passed Cape Guardafui three weeks after the "Memnon" reached it; but her course from Ceylon being west and by north half-north, she did not make the passage against the south-west monsoon, but was assisted by her sails part of the way. She arrived at Suez early on the 12th September, being 25 days 7 hours steaming 4,787 miles, and averaging less than 199 miles a day.

The "Bentinck," of 520 horse-power, and 1,650 tons O. M., was despatched to India 24th August 1843, and steamed to the Cape of Good Hope in 46 days, and to Madras in 85 days, between St. Jago and the Cape of Good Hope, steaming 4,000 miles, without stopping for coal, in 23 days 10 hours, at the rate of 170 miles a day.

The

in July 1842, and returning to Suez as above stated, accomplishing 4,498 miles without stopping, in 22 days 13 hours, at the rate of 196 miles a day.

The time occupied in conveying the mails between Bombay and Suez by the vessels of the East India Company, including stoppages for coaling at Aden, was as follows: 1841, April, 17 days; May, 17 days; October, 17 days. 1842, January, 17 days; April, 16 days; November, 17 days. 1843, January, 17 days. The time occupied by the post between Bombay and Calcutta is from 8 to 11 days; so that by adding 9½ days to the above, will give the time between Suez and Calcutta; averaging 26 days 4 hours.

The East India Company have the following steam-vessels of the Indian Navy at Bombay available for the conveyance of a monthly mail between that place and Suez, a distance of 72,000 miles in the year:—

Name.	Horse-power.	Tonnage, O. M.	Engineers.	When Built.	Where Built.
Albar	350	1,140	R. Napier & Co.	1842	Glasgow.
Semiramis	300	1,000	Forrester & Co.	1842	Bombay.
Auckland	220	600	Maudsley & Co.	1841	ditto.
Victoria	230	600	R. Napier & Co.	1840	ditto.
Scastris	250	700	Maudsley & Co.	1839	London.
Cleopatra	220	600	- ditto -	1839	ditto.
Zenobia	280	800	R. Napier	-	to be re-built.
Berisac	230	630	- ditto -	1836	Glasgow.
Atlanta	210	620	Maudsley	1836	London.

Government docks, and a large engine and boiler establishment at Bombay; coal depôts, bulk, and establishment at Aden and Suez.

Stationed at Calcutta there are as follows:—

Two war-steamers, 220 horse-power, and 700 tons.

Two war-steamers, 120 horse-power, and 400 tons.

Three packets, 80 horse-power, and 300 tons; with small docks and engineering establishment for repairs.

The "Great Western," of 420 horse-power, and 1,300 tons, has run in five years 27 voyages to America; steaming 166,665 miles; the outward passage to America, at an average of 193½ miles a day. The homeward passage at 283 miles a day; the average of 787 days out, and home is 211½ miles a day.

The "Acadia," "Britannia," "Columbia," and "Caledonia," of 400 horse-power, and 1,200 tons, in two years performed 37 voyages from Liverpool to Halifax and back; the outward passage on an average of 13 days 5 hours, at the rate of 189½ miles a day, or 7½ knots an hour. The homeward passage averaging 11 days 4 hours, at the rate of 223½ miles a day, or 9½ knots an hour; out and home, steaming 185,000 miles in 902 days 17 hours, at an average of 8½ knots an hour, or upwards of 204 miles a day.

The time occupied by the "Hindustan" in conveying mails between Calcutta and Suez (allowing the post to leave Calcutta 12 hours after the steam-vessel) was as follows: 1843, January, 28½ days; April, 28½ days; August, 32 days, and November 25½ days; returning from Suez to Calcutta in February, 26 days; May, days; September, 24½ days; averaging 27 days 18 hours.

The Peninsular and Oriental Company of London have the following vessels in India available for the conveyance of the monthly mail between Suez and Bombay, and passengers between the latter place and Calcutta, a distance of 125,000 miles a year.

Name.	Horse-power.	Tonnage, O. M.	Engineers.	When Built.	Where Built.
Hindustan	520	1,650	Fawcett & Co.	1842	Liverpool.
Bentuck	520	1,650	- ditto -	1843	ditto.

There are no dry docks in India long enough to receive either of these vessels. The Peninsular Company have no establishment or means of repairing machinery, nor are there any other means of repairing and removing such large engines and boilers with the requisite facility and despatch in Calcutta.

The "British Queen," 520 horse-power, and 1,863 tons, in three passages across the Atlantic, 9,300 miles, at an average of 165 miles a day.

The "Hindustan" steamed 11,787 miles in 1,435 hours, on her voyage out to Madras, at an average of 8.2 knots per hour, or 197 miles a day.

The "Bentuck" steamed 11,634 miles in 1,454 hours, from England to Madras, averaging 8.07 knots per hour, or 193½ miles a day.

The above statement seems to demonstrate,—

That two vessels of the Indian navy have overcome the monsoon better and faster than the larger vessel of the Peninsular and Oriental Company of London.

That the old Bombay vessels have six times conveyed the Bengal mail in one day and a half less time than the average of the six passages of the "Hindustan."

That while the Indian Government have nine steam-vessels at Bombay, and seven in Bengal, under public officers, with efficient engineers, establishments and docks in India, the London Company have but two very large vessels that cannot be docked in India, with no establishment for repairs, under a single agent of the London managers, responsible to no one in India.

That five vessels, about the size of the "Abkar" and "Memnon" have run 1,687 days across the Atlantic, averaging a speed of 207½ miles a day, while the "Hindustan" and "Bentinck" in 120 days averaged only 195 miles a day.

And that these large vessels (as they cannot be made available for war purposes) are in no way so well adapted for conveying the India mails as such vessels as the "Akbar" of 400 horse-power, and about 1,200 tons.

My dear Sir,

India Board, 12 February 1844.

I HAVE desired an official letter to go to you to-day upon the subject of the steam navigation for the conveyance of the mail, and I now enclose to you a Memorandum which I have drawn up, explanatory of the general views which I entertain. I have thought it better that you should have it in this manner, as a private communication to the Chairs, but I have no objection to your stating to the Court that I am disposed to be favourable to the idea of leaving the mail conveyance between Bombay and Suez or Aden in the hands of the Court, upon the conditions specified in the Memorandum. The sooner the meeting takes place the better. It cannot well be a very long affair.

John Cotton, Esq., Chairman,
&c. &c. &c.

Most truly yours,
(signed) Ripon.

MEMORANDUM.

VARIOUS considerations combine to render it inexpedient to require the East India Company to forego the responsibility of conveying their own despatches and the public mails from Bombay to Suez, and from Suez to Bombay, or, at all events, from Bombay to Aden, and from Aden to Bombay, provided they (the East India Company) are prepared to take the necessary steps for accelerating the arrival of the mail in England (without inconveniently precipitating its departure from Bombay), and provided they will undertake to maintain an adequate number of steamers, of sufficient force and power, for the purpose of ensuring the public against the contingency of accidental delay, and, above all, of entire failure. The Court of Directors will doubtless be prepared to state to the meeting, proposed to be assembled at the Board of Control, the steps by which they conceive they can best attain the object in view, as regards either of the above-named lines, and to show what would be the probable expense, as compared with that at present incurred. It must be distinctly understood, that Her Majesty's Government are not to be called upon to pay more for this purpose than they now do. With respect to that portion of the different schemes for extending and improving the steam communication of letters in the Eastern seas which relates to the mail communication from Calcutta, Madras, Singapore, China, or at all events Hong Kong, Australia, Ceylon and Mauritius, that is a question by no means exclusively belonging to the East India Company. It relates equally to the departments of the Admiralty and the Post-office; and it is proposed that the meeting

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meeting above referred to shall collect and arrange, for ultimate decision by Her Majesty's Government, the various plans proposed, and the many details into which they may divide themselves, whether they be taken as a whole, and embracing all the various countries above enumerated, or confined, in the first instance at least, to a more limited scale of operations.

Sir,

India Board, 12 February 1844.

I AM desired, by the Commissioners for the Affairs of India, to acquaint you, in reference to the extensive and important question of the mail communication with the Eastern hemisphere, that the President of this Board thinks it would be expedient (with a view to facilitate a final decision) to submit the details of the different plans which have been brought forward to the previous consideration of a limited number of individuals to meet at this office; and I am to request that you will move the Court of Directors to be pleased to nominate some gentleman duly qualified to assist at their deliberations. As the question refers not only to the East India Company, but also to the Admiralty and to the Post-office, I have been directed to make a similar communication to those departments. A gentleman will also be desired to attend on the part of those mercantile bodies who have pressed the question upon the consideration of Her Majesty's Government, and are so deeply interested in its satisfactory and efficient settlement.

I am, &c.

J. C. Melvill, Esq.

(signed) *J. Emerson Tennent.*

Sir,

East India House, 15 February 1844.

I HAVE laid before the Court of Directors of the East India Company your letter of the 12th instant, suggesting, in reference to the extensive and important question of the mail communication with the Eastern hemisphere, that, with a view to facilitate a final decision, the details of the different plans which have been brought forward should be submitted to the previous consideration of a limited number of individuals, to meet at the India Board, and requesting that the Court will be pleased to nominate some gentleman, duly qualified, to assist at their deliberations, observing, at the same time, that as the question refers not only to the East India Company, but also to the Admiralty and to the Post-office, a similar communication has been made to those departments, and that a gentleman will also be desired to attend on the part of those mercantile bodies who have pressed the question upon the consideration of Her Majesty's Government, and are so deeply interested in its satisfactory and efficient settlement. In reply, I am commanded to acquaint you, that as the matters to be submitted to the proposed meeting involve principles connected with the steam communication between India and Great Britain which can alone be determined by Her Majesty's Government and the East India Company, the Court are of opinion, that the consideration and discussion of those principles should not be delegated to any other parties; but I am at the same time to state, that, with the view of affording information, the Court will instruct Mr. John Charles Mason, the Assistant to their Secretary in the marine branch, to meet the gentlemen who may be deputed by the other departments of the public service, should it appear to the President of the Board desirable, after the opinion above expressed, to have the attendance of some gentleman belonging to this establishment.

I have, &c.

(signed) *James C. Melvill,*

J. Emerson Tennent, Esq., M.P.,
&c. &c. &c.

Secretary.

Mr. Emerson Tennent presents his compliments to Mr. Melvill, and will feel obliged by his favouring him with a statement of the actual expense incurred by the East India Company for the conveyance of the mail to and from Suez and Bombay for one year, made up to the latest period.

India Board, 23 February 1844.

MEMORANDUM.

It is of the utmost importance that the question which has been so long under consideration as to the future conduct of the steam communication with India should be determined without further delay.

The Peninsular and Oriental Steam Navigation Company, who have already opened a steam communication between Calcutta and Suez, have proposed either to perform the mail service, now conducted by the East India Company between Bombay and Suez, under a contract for a specific sum per annum, or to carry on a monthly mail communication between Calcutta, Madras, Point de Galle, Aden and Suez, at the rate of 22*s.* a mile, leaving to the East India Company the transport of the mails between Bombay and Aden, and there falling in with the Peninsular and Oriental Company's vessels to exchange mails and passengers. With respect to these proposals, the Court of Directors of the East India Company have recorded their opinion, that they cannot "transfer to any other agency the mail service between Bombay and Suez, and that they cannot, therefore, entertain the proposal of the Peninsular and Oriental Company to enter into a contract for the performance of that service;" that, "upon general grounds of expediency and policy, and with regard to what is due to the public and to the responsibility of the Government of India, they cannot consent to the East India Company becoming parties" to such an arrangement, and that, furthermore, "a decided resolution should be adopted to maintain the line between Bombay and Suez in the hands of the East India Company." And as the Court entertain these sentiments and views, the Chairman and Deputy Chairman, entirely concurring in them, are of opinion that the East India Company cannot consent to undertake a steam communication, limited as it would be by the alternative proposal to the line "between Bombay and Aden." Such an arrangement would involve the necessity of maintaining in a constant state of efficiency three steam-vessels of great power, and an establishment equally expensive as that employed at present to work the whole line between Bombay and Suez, the only difference being a reduction in the consumption of coals. It may be remarked, also, that the impossibility of ensuring the conveyance of the Bombay passengers between Aden and Suez would be a serious objection to the scheme.

It appears, however, to the Chairman and Deputy Chairman, that the whole matter might be brought to a conclusion satisfactorily to all parties concerned, by the adoption of such an arrangement as the following, which would combine the three desirable objects,—

- 1st. Acceleration of the mails.
- 2d. Time for answering letters in Europe and England.
- 3d. The Extension of the accommodation of passengers to and from India facilitated, and the transmission of light packages of valuable merchandise.

PROPOSED ARRANGEMENT.

THE East India Company should continue to conduct the monthly mail communication by steam between Bombay and Suez. The Company are prepared to do everything that is requisite for the security and acceleration of the mails. They will provide an adequate number of vessels of capacity sufficient to accommodate the average monthly number of passengers that may require conveyance to and from Bombay, and of sufficient power to perform the voyage in 16 days, allowing for the needful stoppage for exchange of mails and passengers at Aden. One of these vessels, starting from Bombay on the morning of the 1st of each month, might reach Suez on the 16th, when its mails might be immediately forwarded to Alexandria, and, arriving there in three days, or on the 19th, might be placed on board a fast steam-vessel, to be provided by Her Majesty's Government, to convey them direct to Marseilles within seven days, or by the 26th, from whence they would reach London in four days, or on the 30th. Thus six or seven days may be allowed in England for answering letters. On the 6th of each month the outward "express mail" should leave London, going *via* Marseilles direct to Alexandria, arriving there on the 17th, and at Suez on the 20th of the same month, whence they would reach Bombay on the 5th or 6th of the ensuing month.

The mails thus despatched to and from Bombay should be considered as the "fast or express mails." Letters to and from all parts of India will probably be sent by these express mails; but, in order to secure their expedition, it should be clearly understood that no more passengers than the packets are built to accommodate suitably can be conveyed, and that but few parcels (and those few limited to Bombay) may be carried by the packets, as a direct, as well as more appropriate and convenient conveyance for passengers and parcels to and from the other Presidencies, will be found by a private company.

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To the Presidencies of Calcutta and Madras, and to Ceylon, an intermediate opportunity for correspondence, as well as for the conveyance of passengers, may be afforded by means of arrangements with the Peninsular and Oriental Company, whose vessels might leave Calcutta on the 12th of the month, and, touching at Madras, at Point de Galle and at Aden, and performing the whole distance in 25 days (including stoppages), would arrive at Suez about the 6th of the ensuing month, and thus afford convenient time to the passengers to cross Egypt, falling in at Alexandria with the contract arrangements between Her Majesty's Government and that Company for the mail communication between Alexandria and Southampton, which may be in some degree modified.

This should be regarded as the heavy mail, and as the principal conveyance for passengers and parcels; the merchants and people at Calcutta will then be able to write to Europe by their own vessel to leave on the 12th, and to write again on the 21st, to be despatched to Bombay per dawk, for transmission from thence by the "express mail" that leaves on the 1st of each month. They would receive their letters *via* Bombay about the 15th of the month, and would be able to answer them in less than a week. Their letters by the "heavy mail" might, by a little modification of the existing Mediterranean contract with the Peninsular and Oriental Company as to the periods of departure from Southampton* and from Alexandria † respectively, be made to reach London about the 10th of any month, and thus afford an opportunity of their being answered also from all parts of the United Kingdom by the heavy mail to leave Southampton, say on the 25th of that month, letters and passengers by which would reach Alexandria on the 14th of the next month, would have four days to cross Egypt, leave Suez by the Peninsular and Oriental vessel on the 18th, and arrive at Calcutta about the 12th of the month after.

The East India Company already pay the Peninsular and Oriental Company 20,000 *l.* towards the support of a communication between Calcutta, &c., and Suez, and the Chancery cannot doubt their readiness, in the same spirit which induced that grant, to join with Her Majesty's Government in contributing a still larger sum, should the latter decide upon entering into a contract with the Peninsular and Oriental Company for the maintenance of what has been shown to be in effect a bi-monthly Indian mail, upon which also might be engrafted the intended Post-office arrangements for extending the mail communication between Point de Galle and places to the eastward.

Mr. Melvill presents his compliments to Mr. Emerson Tennent, and with reference to his note of the 23d instant, begs to transmit the accompanying statement of the expense to the East India Company of the monthly steam communication between Bombay and Suez, as nearly as the same can be made out for 1842.

East India House, 28 February 1844.

STATEMENT of the Expense to the East India Company of the Monthly Steam Communication between *Bombay and Suez*, as nearly as the same can be made out for 1842.

The four packets used were the "Atalanta," "Beience," "Victoria" and "Cleopatra." Their value, ‡ being 162,059 *l.*, is considered as the capital employed.

	£.
Wages, provisions, &c. of the four packets - - - - -	15,840
Stores and repairs - - - - -	8,883
Coal for 12 voyages, say 1,000 tons per voyage, including wastage at 20 per cent.; viz.	
Expense of one-fourth that quantity; viz.	
4,000 tons at Bombay, at 31 <i>s.</i> per ton	£. 6,200
4,000 tons at Aden, at 41 <i>s.</i> per ton	8,200
4,000 tons at Suez, at 84 <i>s.</i> per ton	16,800
	31,200
Expenses of agencies in Egypt and half expense of the coal-ship at Aden (which is also a block-ship) - - - - -	4,760
Interest at four per cent. on the capital employed - - - - -	6,482
Insurance thereon at six per cent. - - - - -	9,723
Annual deterioration by wear and tear, 16 per cent. - - - - -	24,308
	101,196

28 February 1844.

My

* Say 25th of a month.

† Say 20th of a month.

‡ Note.—During the south-west monsoon, steam frigates, which are larger and more expensive than the packets, were used; but no extra charge is made on that account, as only 12 complete voyages were made between Bombay and Suez in the year, and as the steam-packets, while those larger vessels were so employed, were in use on political or other service.

My dear Sir,

India Board, 2 March 1844.

In a note to the Return you have sent us, you allude to the additional expense attending the employment of larger steamers during the monsoon.

The "express" mail, under the newly-propounded proposal, contemplates, it is presumed, the employment of such boats only; and as our information is wanted rather prospectively than as regards the past, we should be glad if you could give anything like an estimate of what addition to the 101,196*l.* this would render necessary.

The above sum also forms the gross expense. Is there any deduction from it besides receipts on passage-money, and what amount of deduction was this on the period pointed to in the return, *i. e.*, on 101,196*l.*? so that we may see the net expenditure.

What proportion, also, of the passage-money goes to the captains?

If you will answer me these questions, Mr. Tennent will be much obliged.

The whole subject seems to widen under consideration, which delays the second meeting of a conference.

Yours, &c.

J. C. Mason, Esq.

(signed) C. H. C. Plowden.

My dear Sir,

East India House, 4 March 1844.

It seems to me that the enclosures to the Bombay marine letter, No. 1, of the present year, which were forwarded to the Board some days ago, will afford a more clear and satisfactory answer than I could hope to give to the several questions you have put to me as to the steam communication. You will, moreover, collect from those papers the opinion entertained by Sir Robert Oliver upon the relative properties of the present and of larger sized vessels for punctuality in carrying on that communication. Sir Robert attributes the loss of speed in the existing packet-vessels principally to their being now overloaded with passengers, their baggage, stores, &c., and leads very fairly, in my opinion, to the inference that, if limited to mails and to the Bombay passengers alone, they might be equal to the proposed service, at least during the fair season, although in the south-west monsoon large vessels must, as heretofore, be used to secure the passage from Bombay to Aden. In the height of the south-west monsoon, say July and August, the trips between Bombay and Aden have been always performed by steam-frigates, exchanging at Aden the mails and the very few passengers going during that unfavourable season across the Arabian Sea with the packet-vessels working between Aden and Suez. A similar course should be pursued in working the proposed mail, or express mail scheme; but, in my opinion, it by no means follows that throughout the year large steamers only must be employed,—that, however, is a practical question involving moreover the point upon which there seems doubt both here and in India, *viz.* the size and power of the vessel to be used; and until that is decided upon, I have no materials for preparing an estimate of the future expense, as it must, of course, depend upon the amount of capital to be employed, and at risk.

It may, perhaps, be sufficient for your purpose to explain, with reference to the note appended to the return of expense for 1842 to which you have alluded, that the frigate was only substituted for the packet in the run from Bombay to Aden and back in July and August of that year; and that the increase of expense thereby occasioned (and which may be considered generally applicable to similar substitution), is in proportion to the cost of wages and provisions of a frigate's crew, as compared with the crew of a packet, which, though varying with the relative size and rating, may be given upon an average, at about Rs. 1,200 per month. The charge for wear and tear, interest and insurance would, of course, be somewhat increased in amount, though not much, being for such a short period; and the consumption of coal would be very little, if any, more.

I shall be well pleased to have the conference over, as all details connected with the communication are at a stand-still, which is very inconvenient to, as well as to the prejudice of, the whole matter.

Yours, &c.

C. H. C. Plowden, Esq.

(signed) J. C. Mason.

CORRESPONDENCE *between* HER MAJESTY'S GOVERNMENT *and* the
PENINSULAR *and* ORIENTAL STEAM NAVIGATION COMPANY, &c.

Sir,

Admiralty, 25 January 1850.

I AM commanded by the Lords Commissioners of the Admiralty to acquaint you, for the information of the Lords Commissioners of Her Majesty's Treasury, that, having called for tenders for the monthly conveyance of Her Majesty's mails between Singapore and Sydney for a period terminable in seven years, they have received the following :

1. The Peninsular and Oriental Steam Navigation Company, though not willing to undertake the branch line between Singapore and Sydney by itself, yet tender for it, if there be given to them, in combination with it, the conveyance of the bi-monthly or Bombay mail, and also a new monthly line between Calcutta, Penang, Singapore and Hong Kong. They state the number of miles contemplated by their tender at 332,000 a year, and offer to do it for 105,000*l.*

This arrangement may be expected to be profitable to the Company, since the portions of the line between Southampton and Malta, and between Bombay and Singapore, are already occupied by their vessels, and the amount to be paid by Government would be compensated by the saving of the expenses incurred by this department and the East India Company between Malta and Bombay.

They offer vessels able to keep up an average speed of 8½ knots an hour, and to perform the distance from Singapore to Sydney, by the western coast of Australia, in 27 days and 12 hours, and back in 31 days, which, by the average time of the voyages to and from Singapore during the last year, would make 72½ days outwards, and 79 days homewards.

2. Mr. Beamish tenders for the line between Singapore and Sydney for 30,000*l.*, but the vessels he mentions are only of 60 horse-power, and from 300 to 500 tons, and able to go at an average speed of 10 knots an hour; and neither his calculations nor his means of performing a contract of that magnitude are such as can be relied on without further investigation.

My Lords having also made known their willingness to receive tenders for other routes beside the above mentioned, have received the following offers :

1st. From the General Screw Steam Shipping Company, for conveyance of mails by the Cape of Good Hope, for 60,000*l.*, in auxiliary screw-steamers of 1,200 tons and 200 horse-power, in 70 days, including five days of stoppage at the Cape.

These vessels are stated to keep up an average speed of 8½ knots. The experience of this Company, and the success of their lines to Constantinople and Holland afford a presumption that they may be depended on in coping with the difficulties of a regular traffic through the Southern Indian Ocean.

2d. Mr. Beamish has also offered for this line at 40,000*l.* a year, but with vessels of only 60 and 80 horse-power.

3d. The Pacific Steam Navigation Company tender for a line between Panama and Sydney for 48,000*l.*, in screw-vessels of 600 tons and 130 horse-power, and at an average speed of eight knots, and undertake to perform the voyage in 41 days nine hours out, and 40 days six hours home; and assuming that by better arrangements the voyage from Southampton to Panama may be performed in 26 days, the whole journey would be accomplished in 67 days 19 hours out, and 66 days 6 hours home.

My Lords have therefore before them proposals from competent parties for the three routes by which Australia may be reached. Neither of them has a very preponderating advantage over the others in respect of distance or speed.

The distance from Southampton to Sydney, by Singapore, Swan River and Adelaide, is 12,535 miles; and the Company who tender undertake that it may be done in 72½ days out, and 79 homewards; and, from the facilities of Navigation and of coaling, the chances of delay are not great.

The distance from Southampton to Sydney by the Cape of Good Hope, by Adelaide and Port Philip, is 13,780, and the time in which it is proposed to be done is 70 days out and home. The distance from Southampton to Sydney, by Panama and Otahcite, is 12,790, and is proposed to be done in 68 days out, and 66 days home, but the spaces to be traversed across the ocean without coaling places, render it more doubtful whether this speed can be permanently maintained.

In considering the cost of these lines, it must be remembered that the proposal for the Singapore line would render unnecessary an expenditure at present falling upon the Government and the East India Company, equal to the amount demanded, and that the line round the Cape of Good Hope would supply a good steam communication with that colony, an object of much importance. The proposals for the employment of screw steamers have the advantage of furnishing an experiment, on a useful scale, of that mode of propulsion, of which the extension is very desirable.

The selection to be made can hardly be decided on nautical grounds, but must be influenced mainly by considerations of commercial and general policy. The first route, providing a direct intercourse by steam between Australia and India, and a bi-monthly line between Southampton, Bombay, Calcutta and Hong Kong; the second giving a new line to the colonies of the Eastern hemisphere, that does not pass through the territory of a foreign power, and affording important facilities for emigration; the third assisting the maintenance of a good direct line to the Gulf of Mexico. And my Lords have not felt called upon, without further communication from the Lords of Her Majesty's Treasury, to state their opinion as to whether any of these tenders should be accepted. They have informed the parties tendering that answers will be given to them, and they transmit copies of the letters accompanying the tenders.

I am, &c.

Right hon. G. W. Hayter.

(signed) *W. A. B. Hamilton.*

Peninsular and Oriental Steam Navigation Company,
London, 22 January 1850.

Sir,

WITH reference to the accompanying printed form of tender, I am instructed by the Directors of the Peninsular and Oriental Steam Navigation Company to submit to you, for the information of the Lords Commissioners of the Admiralty, that they consider commercial traffic with Australia, by means of steam vessels, to be exceedingly speculative; and that a length of time will be requisite, at a heavy and certain expense, to obtain an uncertain result, unless that service be combined with such other lines of communication with England and India as would provide the means of opening a commercial transit for goods as well as passengers, and even then its remuneration is doubtful upon the terms herewith submitted.

The existing mail contract to and from India and China with the Peninsular and Oriental Steam Navigation Company is terminable in three years. The offer of the Government for the Australian mail contract is for seven years; and a shorter period for the fair development of so speculative and distant a line would be insufficient.

This view of the case might be partially met by the Government extending the existing contract with India and China to the same period; but the Directors being of opinion that such a proposition might embarrass the question, by probably leading to protracted discussions, decline at present to moot it.

They therefore tender, in combination with the Australian service, to convey the Bombay mails between Southampton and Bombay (from which latter port they have existing a monthly communication with Singapore). Likewise for a monthly communication between Calcutta, Penang, Singapore and Hong Kong, which would give to China a bi-monthly postal conveyance with India and England; thus embracing three distinct lines, but all communicating with each other, and all necessary to create a remunerative traffic with Australia, for the sum of 105,000*l.* (One hundred and five thousand pounds per annum), subject, however, to a separate rate of payment for each, in the event of one line being established

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established earlier than another. The whole sum being less than the present cost to the Government and the East India Company for the conveyance only of the mails between Suez and Bombay,—a service amounting to no more than 70,000 miles per annum, whereas the services now tendered to be performed by the Peninsular and Oriental Steam Navigation Company amount to 332,000 miles per annum.

The Bombay mails to be conveyed by the Company's vessels between Southampton and Malta by their steamers trading monthly to and from Constantinople, and between Malta and Alexandria by a steam-ship, to be placed on that station expressly for this object; this arrangement being the same as that under which the Company performed this service from May 1845 to May 1848.

In proposing to undertake such an extensive range of mail communication, at so diminished a rate of remuneration, the directors desire me to observe, that they do not expect that the new service, even with all its advantages of combination for commercial purposes, will be, of itself, adequately remunerative. But being led to hope, that with the benefits which the Company's already established lines may also derive from it, they may be enabled to realize such a profit on the whole of the Company's operations as to yield a moderate dividend to the proprietors of the Company's capital, they are desirous that the public should derive a fair share of the advantages of the plan; and consider that in the low terms on which they now propose to execute these additional services, they are, in fact, giving up, in the most advantageous mode for the public interests, a large proportion of the remuneration which they now receive for the services executed under their existing contracts.

To carry out this extension of the Company's operations, the directors have contracted with Messrs. Tod and M'Gregor for the building of two vessels in the Clyde, of 1,100 tons, and 400 horse-power each, and are prepared to conclude contracts forthwith, with other builders and engineers, for the requisite further number of vessels of a similar class, should this tender be accepted.

One thousand pounds additional contract money per annum should the mails be required to be embarked and landed to the westward of Southampton, as far as Plymouth, and 2,000*l.* per annum if to the westward of that port, as the latter extension would be so much out of a direct course.

Should, on finally arranging the route between Singapore and Sydney, coal depôts become necessary in localities not settled, the contractors expect that the Australian authorities will furnish the necessary protection and assistance for that object.

I am desired to submit to their Lordships, as security for the due performance of the contract, Sir John Pirie, Bart., of Birchin-lane, ship-owner, and James Hartley, esquire, Leadenhall-street, ship-owner.

I have, &c.

(signed) *C. R. Howell,*
Secretary.

To the Secretary of the Admiralty.

TENDER for STEAM VESSELS for performing the MAIL SERVICE to and from Sydney, in Australia.

NAMES OF VESSELS.	Tons by Register, including Engine-room.	Where lying.	Whether propelled by Paddle-wheels or Screws.	Horse Power.	Draft of Water when ready for Sea.		Speed.	Consumption of Coals in each Twenty-four Hours.	Day on which the Vessel will be ready	
					Feet.	Inch.			For Survey.	Complete for Sea on the part of the Owners.
us - - -	800	{ South-ampton }	{ Paddle-wheels }	260	14	-	8½	480	April	April.
" - - -	800	"	"	280	13	-	8½	480	May	May.
anza - - -	800	Bombay	"	260	14	-	8½	460	Now ready.	
r Mary Wood -	660	"	"	260	13	-	8½	460	ditto.	

Sir,

22 January 1850.

We hereby offer to the Commissioners for executing the Office of Lord High Admiral of the United Kingdom of Great Britain and Ireland the above-mentioned steam-vessels for seven years certain, at the rate of (*see* enclosed separate letter) per annum for conveying the said mails monthly between Singapore and Sydney, adopting the following route, namely, by western passage, and touching at the following intermediate places; namely, Batavia (Shaik's Bay, if necessary), off Swan River, King George's Sound, Adelaide and Port Philip, subject to the several conditions marked (A).

And we engage to deliver the said mails within the under-mentioned periods, subsequent to their embarkation :

	Days.	Hours.
Singapore to Sydney - - - - -	27	12
Sydney to Singapore - - - - -	31	0
England to Sydney - - - - -	—	—
Sydney to England - - - - -	—	—

In the event of this tender being accepted, we engage that the vessels above-mentioned shall be ready for survey and complete for sea on or before the respective times above-mentioned complete, on the owners part in every respect; in failure of which, we do hereby engage to forfeit and pay to Her Majesty the sum of 10 *l.* for each day any vessel shall be delayed beyond the respective days above mentioned; and the Commissioners are in that case to have the option of rejecting her altogether.

And we do hereby agree with the said Commissioners to execute a contract according to the said conditions.

I am, sir, your very humble servant,
 For the Peninsular and Oriental Steam Navigation Company,
 (signed) *C. R. Howell*,
 (Address) 122, Leadenhall-street, London.

The Secretary of the Admiralty.

N.B.—All tenders to be made upon this printed form, and they are to be addressed to the Secretary of the Admiralty, at Somerset-place, with the words "Tender for the Conveyance of Mails," and "Comptroller of Victualling," in the left-hand corner of the envelope; and no tender will be received unless it be made precisely according to the preceding printed Form. Any conditions or alterations which the party tendering may wish to suggest, must be added to the tender, either at the end of the printed form, or by a separate letter at the time of making the tender.

Conditions of the Tenders to be received for a Contract for the Conveyance of Mails to and from Sydney, referred to as marked (A.)

The Mails are to be conveyed monthly from Singapore to Sydney, on the arrival of the outward packets of the Peninsular and Oriental Company, and are to be brought to Singapore from Sydney, so as to meet the homeward packet from China. The tenders are to specify the route which the parties tendering propose to adopt, and the intermediate places at which they wish their vessels to touch.

But persons desirous of undertaking to carry the mails between England and Sydney by any other route, and not to and from Singapore, are at liberty to send in tenders specifying such route, and the places at which they are to touch.

The tenders are to state the number of days and hours subsequent to the embarkation of the mails, in which the parties tendering will contract to deliver them at the ports to which they are directed. And if in any voyage the contractors shall not deliver the mails at the time agreed upon in the contract, the Lords Commissioners of the Admiralty shall be at liberty, if they shall deem it right, in addition and without reference to any proceedings they may take thereon as a breach of the contract, to deduct from the payment agreed upon in the contract a sum bearing the same proportion to the annual payment that the voyage in question does to the annual number of voyages, provided that it cannot be shown to the satisfaction of the said Commissioners that the delay has arisen from weather or other accidental causes over which the contractors or their servants had no control, and for which they were not responsible, and has not been caused by deficiency of speed of the vessel.

The tenders are to state the number, tonnage and horse-power of the vessels proposed to be employed, and whether to be propelled by paddle-wheels or screws.

The said Commissioners are to fix, and may alter from time to time, after due notice, the time of the departure of the vessels.

If a naval or other officer is sent to take charge of the mails, accommodation is to be provided for him by the contractors without payment; and in the event of no such person being employed by the said Commissioners, the commander of the vessel is to become responsible for their safe custody and delivery.

Officers in the naval, military or civil service of Her Majesty, proceeding on public duty, are, with their wives and families, to be allowed to take passages at a reduced rate, amounting to two-thirds of the ordinary fares, by orders to that effect from the said Commissioners, or by

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by persons to whom this authority shall be delegated by them; but the number of officers travelling at these reduced fares is not to exceed two in any one vessel.

The contractors are to provide a convenient and secure place of deposit for the mails on board each vessel, and whatever may be necessary for their embarkation and disembarkation.

The whole postage of all letters conveyed in the vessels employed under the contract, whether carried out of Her Majesty's dominions or not, is to be at the disposal of Her Majesty's Postmaster-general.

The contractors will be liable to a penalty of 100*l.* for each occasion on which they fail to provide an efficient vessel, in accordance with the terms of the contract, or on which the vessels do not start at the appointed time, or stop, linger or deviate from the route agreed to, unless it can be shown that the default arose from circumstances beyond the control of themselves or their servants.

If the contract, or any part thereof, should be assigned, underlet or disposed of, without the consent of the said Commissioners, or if the contract should be deliberately and wilfully broken, the said Commissioners are to have the power of immediately terminating the contract.

A penalty of 4,000*l.* will be incurred by way of stipulated or ascertained damages, in case of the failure of the contractors in the due execution of the contract; and two sureties to that amount will be required, and are to be named at the time of making the tender.

The contract to expire at the end of seven years from its commencement, if twelve months' notice shall have been given by either party; and if not, it is to continue until such notice shall have been given, and the tender is to state when they will be prepared to commence the execution of the contract.

It is understood that the said Commissioners do not engage to accept the lowest tender, irrespective of all other considerations; and are not bound necessarily to accept any of the tenders that may be sent in.

General Screw Steam-Shipping Company, incorporated by Royal Charter,
2, Royal Exchange Buildings, London, 22 January 1850.

Sir,

In offering to you the accompanying tender for performing the mail-packet service to and from Sydney in Australia, *via* the Cape of Good Hope, I beg to state, that the Company undertake to construct new screw-steamers of 1,200 tons, builder's measurement, with engines of 200 nominal horse-power, and to guarantee a speed of 200 knots per day, or 8½ knots per hour. We consider the distance from England to Sydney will be run in 65 days, allowing five days for coaling at the Cape of Good Hope, and such delay as the landing and receiving of the mails may involve at the different ports.

In addition to the route mentioned in the tender, we shall not object to call at St. Helena and the Cape de Verds on the return voyage, if the Board of Admiralty desire it, on their allowing time for such purpose, but without any extra charge.

We consider Plymouth the best port for the despatch of the mail; the steamship to be compelled to leave London four days previous to the day appointed by the Admiralty for taking the mails on board; the ship then to proceed to the Cape de Verds, and by eastern passage to the Cape of Good Hope to coal in Simon's Bay; thence to run down in the latitude 36° to 38° to King George's Sound; thence to Adelaide, Port Philip and Sydney, returning by same route to King George's Sound; there to coal, and proceed round Cape Lewin, to meet the south-eastern trades in latitude 30° to 26°, according to the season of the year; thence to the Cape of Good Hope, coaling in Simon's Bay, and proceed by the eastern passage to St. Helena or the Cape de Verds, as may be directed by the Board of Admiralty.

I have, &c.

(signed) *James Laming,*
Managing Director.

Secretary of the Admiralty,
&c. &c. &c.

CORRESPONDENCE relative to ESTABLISHMENT OF

TENDER for STEAM-VESSELS for performing the MAIL SERVICE to and from Sydney, in Australia.

NAMES OF VESSELS.	Tons by Register.	Where lying.	Whether propelled by Paddle-wheels or Screws.	Horse Power.	Draft of Water when ready for Sea.			Consumption of Coals in each Twenty-four Hours.	Day on which the Vessel will be ready	
					Feet.	Ins.	Knots per Hour.		For Survey.	Complete for Sea on the part of the Owners
New ships to be built -	1,200	- -	Screws -	200	-	-	8½	480	- -	within twelve months from date of contract.

General Screw Steam-Shipping Company,
2, Royal Exchange Buildings, London, 22 Jan. 1850.

Sir,
We hereby offer to the Commissioners for executing the office of Lord High Admiral of the United Kingdom of Great Britain and Ireland the above-mentioned steam-vessels for seven years certain, at the rate of £. per annum for conveying the said mails monthly between Singapore and Sydney, adopting the following route, namely,

and touching at the following intermediate places, namely, and at the rate of 60,000 *l.* per annum, for conveying the said mails monthly between England and Sydney, adopting the following route, namely, Cape de Verds, Cape of Good Hope, King George's Sound, Adelaide, Port Philip and Sydney, and touching at the following places, namely, on the return voyage, Port Philip, Adelaide, King George's Sound, Cape of Good Hope, subject to the several conditions marked (A).

And we engage to deliver the said mails within the under-mentioned periods subsequent to their embarkation :

	Days.	Hours.
Singapore to Sydney - - - - -	-	-
Sydney to Singapore - - - - -	-	-
England to Sydney - - - - -	70	- (Seventy days).
Sydney to England - - - - -	70	- (ditto - ditto).

In the event of this tender being accepted, we engage that the vessels above mentioned shall be ready for survey and complete for sea on or before the respective times above mentioned complete, on the owner's part in every respect; in failure of which, we do hereby engage to forfeit and pay to Her Majesty the sum of 10 *l.* for each day any vessel shall be delayed beyond the respective days above mentioned, and the Commissioners are in that case to have the option of rejecting her altogether.

And we do hereby agree with the said Commissioners to execute a contract according to the said conditions.

We are, sir,
Your very humble servants,

(signed) *James Laming*, Managing Director.
Ruhard Howell, Secretary.

The Secretary of the Admiralty.

N. B.—All tenders to be made upon this printed form, and they are to be addressed to the Secretary of the Admiralty, at Somerset-place, with the words "Tender for the Conveyance of Mails," and "Comptroller of victualling," in the left-hand corner of the envelope, and no tender will be received unless it be made precisely according to the preceding printed form. Any conditions or alterations which the party tendering may wish to suggest must be added to the tender, either at the end of the printed form, or by a separate letter at the time of making the tender.

Conditions of the Tenders to be received for a Contract for the Conveyance of Mails to and from Sydney, referred to as marked (A).

The mails are to be conveyed monthly from Singapore to Sydney, on the arrival of the outward packets of the Peninsular and Oriental Company, and are to be brought to Singapore from Sydney so as to meet the homeward Packet from China. The tenders are to specify the route which the parties tendering propose to adopt, and the intermediate places at which they wish their vessels to touch.

But persons desirous of undertaking to carry the mails between England and Sydney by any other route, and not to and from Singapore, are at liberty to send in tenders specifying such route, and the places at which they are to touch.

The tenders are to state the number of days and hours subsequent to the embarkation of the mails, in which the parties tendering will contract to deliver them at the ports to which they are directed. And if in any voyage the contractors shall not deliver the mails at the time agreed upon in the contract, the Lords Commissioners of the Admiralty shall be at liberty, if

STEAM COMMUNICATION *between SUEZ and BOMBAY, &c.* 103

if they shall deem it right, in addition and without reference to any proceedings they may take thereon as a breach of the contract, to deduct from the payment agreed upon in the contract a sum bearing the same proportion to the annual payment that the voyage in question does to the annual number of voyages, provided that it cannot be shown to the satisfaction of the said Commissioners that the delay has arisen from weather, or other accidental causes, over which the contractors or their servants had no control, and for which they were not responsible, and has not been caused by deficiency of speed of the vessel.

The tenders are to state the number, tonnage and horse-power of the vessels proposed to be employed, and whether to be propelled by paddle-wheels or screws.

The said Commissioners are to fix and may alter from time to time, after due notice, the time of the departure of the vessels.

If a naval or other officer is sent to take charge of the mails, accommodation is to be provided for him by the contractors without payment, and in the event of no such person being employed by the said Commissioners, the commander of the vessel is to become responsible for their safe custody and delivery.

Officers in the naval, military or civil service of Her Majesty proceeding on public duty are, with their wives and families, to be allowed to take passages at a reduced rate, amounting to two-thirds of the ordinary fares, by orders to that effect from the said Commissioners, or by persons to whom this authority shall be delegated by them; but the number of officers travelling at these reduced fares is not to exceed two in any one vessel.

The contractors are to provide a convenient and secure place of deposit for the mails on board each vessel, and whatever may be necessary for their embarkation and disembarkation.

The whole postage of all letters conveyed in the vessels employed under the contract, whether carried out of Her Majesty's dominions or not, is to be at the disposal of Her Majesty's Postmaster-general.

The contractors will be liable to a penalty of 100 £ for each occasion on which they fail to provide an efficient vessel, in accordance with the terms of the contract, or on which the vessels do not start at the appointed time, or stop, linger, or deviate from the route agreed to, unless it can be shown that the default arose from circumstances beyond the control of themselves or their servants.

If the contract, or any part thereof, should be assigned, underlet, or disposed of, without the consent of the said Commissioners, or if the contract should be deliberately and wilfully broken, the said Commissioners are to have the power of immediately terminating the contract.

A penalty of 4,000 £ will be incurred by way of stipulated or ascertained damages in case of the failure of the contractors in the due execution of the contract, and two sureties to that amount will be required, and are to be named at the time of making the tender.

The contract to expire at the end of seven years from its commencement, if twelve months notice shall have been given by either party, and if not, it is to continue until such notice shall have been given, and the tender is to state when they will be prepared to commence the execution of the contract.

It is understood that the said Commissioners do not engage to accept the lowest tender irrespective of all other considerations, and are not bound necessarily to accept any of the tenders that may be sent in.

TENDER FOR STEAM VESSELS for performing the MAIL SERVICE to and from Sydney, in Australia.

NAME OF VESSELS.	Tons by Register, including Engine-rooms.	Where lying.	Whether propelled by Paddle-wheels or Screws.	Horse Power.	Draft of Water when ready for Sea.		Speed Averages.	Consumption of Coals in each Twenty-four Hours.	Day on which the Vessel will be ready	
					Feet.	Inch.			For Survey.	Complete for Sea on the part of the Owners.
Trade	{ 425 old, or 430 }	{ - In the Port of London. }	Screw	60	10	6	Knots per Hour. 10	Cwt. 150	1850; 12 Feb. -	1850 20 Feb.
"	"	"	"	60	10	6	10	150	"	"
"	{ 300 or 440 }	"	"	60	12	6	10	150	"	"
Not launched	500	Clyde -	"	60	11	6	10	140	"	"
Not launched	500	- Port of London.	"	60	11	6	10	140	1 May -	20 May
Not launched	650	"	"	80	12	6	10	160	"	"

Sir,

22 January 1850.

We hereby offer to the Commissioners for executing the office of Lord High Admiral of the United Kingdom of Great Britain and Ireland the above-mentioned steam-vessels for seven years certain, at the rate of 30,000*l.* (Thirty thousand pounds) per annum, for conveying the said mails monthly, between Singapore and Sydney, adopting the following route; namely, from Singapore by Torres Straits to Sydney, and when the monsoons are adverse, by Woola River to Sydney; from Sydney to Singapore, by Torres Straits, and touching at the following intermediate places; namely, Batavia, Bali, occasionally at Woola River, Amboza, Adelaide, Port Philip, being only 6*s.* 7*d.* per mile of goods to and from Singapore to Sydney, or at the rate of 40,000*l.* (Forty thousand pounds) per annum for conveying the said mails monthly between England and Sydney, adopting the following route; namely, and touching at the following intermediate places; namely, by Teneriffe, Ascension Island, Cape of Good Hope and South Australia to Sydney direct, and returning from Sydney to the Mauritius, Cape of Good Hope, Cape de Verde, Teneriffe and Port Adelaide at the Mauritius, homeward, subject to the several conditions marked (A.)

And we engage to deliver the said mails within the under-mentioned periods, subsequent to their embarkation:—

	Days.	Hours.
Singapore to Sydney - - - - -	28	0
Sydney to Singapore - - - - -	29	0
England to Sydney - - - - -	67	0
Sydney to England - - - - -	72	0

In the event of this tender being accepted, we engage that the vessels above mentioned shall be ready for survey and complete for sea on or before the respective times above mentioned, complete on the owners' part in every respect, in failure of which we do hereby engage to forfeit and pay to Her Majesty the sum of 10 *l.* for each day any vessel shall be delayed beyond the respective days above mentioned, and the Commissioners are in that case to have the option of rejecting her altogether.

And we do hereby agree with the said Commissioners to execute a contract according to the said conditions.

We are, Sir,
Your very humble servants,

(signed) *G. Beamish, & Co.*
(Address) 7, Ebenezer-place, Kennington.

The Secretary of the Admiralty.

N. B. All tenders to be made upon this printed form, and they are to be addressed to the Secretary of the Admiralty, at Somerset-place, with the words "Tender for the conveyance of Mails," and "Comptroller of Victualling," in the left-hand corner of the envelope, and no tender will be received unless it be made precisely according to the preceding printed form. Any conditions or alterations which the party tendering may wish to suggest must be added to the tender, either at the end of the printed form, or by a separate letter at the time of making the tender.

Conditions of the Tenders to be received for a Contract for the Conveyance of Mails to and from Sydney, referred to as marked (A.)

The mails are to be conveyed monthly from Singapore to Sydney, on the arrival of the outward packets of the Peninsular and Oriental Company, and are to be brought to Singapore from Sydney so as to meet the homeward packet from China. The tenders are to specify the route, which the parties tendering propose to adopt, and the intermediate places at which they wish their vessels to touch.

But persons desirous of undertaking to carry the mails between England and Sydney by any other route, and not to and from Singapore, are at liberty to send in tenders specifying such route, and the places at which they are to touch.

The tenders are to state the number of days and hours subsequent to the embarkation of the mails, in which the parties tendering will contract to deliver them at the ports to which they are directed. And if in any voyage the contractors shall not deliver the mails at the time agreed upon in the contract, the Lords Commissioners of the Admiralty shall be at liberty, if they shall deem it right, in addition and without reference to any proceedings they may take thereon as a breach of the contract, to deduct from the payment agreed upon in the contract a sum bearing the same proportion to the annual payment, that the voyage in question does to the annual number of voyages, provided that it cannot be shown to the satisfaction of the said Commissioners that the delay has arisen from weather or other accidental causes, over which the contractors or their servants had no control, and for which they were not responsible, and has not been caused by deficiency of speed of the vessel.

The tenders are to state the number, tonnage and horse-power of the vessels proposed to be employed, and whether to be propelled by paddle-wheels or screws.

The

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The said Commissioners are to fix, and may alter from time to time, after due notice, the time of the departure of the vessels.

If a naval or other officer is sent to take charge of the mails, accommodation is to be provided for him by the contractors without payment, and in the event of no such person being employed by the said Commissioners, the commander of the vessel is to become responsible for their safe-custody and delivery.

Officers in the naval, military or civil service of Her Majesty, proceeding on public duty, are, with their wives and families, to be allowed to take passages at a reduced rate, amounting to two-thirds of the ordinary fares, by orders to that effect from the said Commissioners, or by persons to whom this authority shall be delegated by them; but the number of officers travelling at these reduced fares is not to exceed two in any one vessel.

The contractors are to provide a convenient and secure place of deposit for the mails on board each vessel, and whatever may be necessary for their embarkation and disembarkation.

The whole postage of all letters conveyed in the vessels employed under the contract, whether carried out of Her Majesty's dominions or not, is to be at the disposal of Her Majesty's Postmaster-general.

The contractors will be liable to a penalty of 100*L.* for each occasion on which they fail to provide an efficient vessel, in accordance with the terms of the contract, or on which the vessels do not start at the appointed time, or stop, linger or deviate from the route agreed to, unless it can be shown that the default arose from circumstances beyond the control of themselves or their servants.

If the contract, or any part thereof, shall be assigned, underlet or disposed of, without the consent of the said Commissioners, or if the contract should be deliberately and wilfully broken, the said Commissioners are to have the power of immediately terminating the contract.

A penalty of 4,000*L.* will be incurred, by way of stipulated or ascertained damages in case of the failure of the contractors in the due execution of the contract, and two sureties to that amount will be required, and are to be named at the time of making the tender.

The contract to expire at the end of seven years from its commencement, if 12 months' notice shall have been given by either party, and if not, it is to continue until such notice shall have been given, and the tender is to state when they will be prepared to commence the execution of the contract.

It is understood that the said Commissioners do not engage to accept the lowest tender, irrespective of all other considerations, and are not bound necessarily to accept any of the tenders that may be sent in.

Pacific Steam Navigation Company Office,
Liverpool, 21 January 1850.

Sir,

WITH reference to the accompanying tender for the conveyance of Her Majesty's mails between Panama and Sydney, I am directed to say, that in the event of its being accepted, this Company will be prepared to contract, for the sum of Two thousand pounds per annum, for the monthly conveyance of mails between Sydney and Twofold Bay, Launceston and Port Philip, in connexion with those between Panama and Sydney. I am also instructed to observe that, assuming that the time for the conveyance of the mails between England and Panama will be reduced to 26 days, the whole time required for the communication between England and Sydney would be—

Outward	-	-	-	63 days.
Inward	-	-	-	66 „

I have only further to add, that the sureties offered for the due execution of the contract are, George Malcolm, Chairman, and William Bates, Deputy Chairman of the Company.

I am, &c.

The Secretary of the Admiralty. :

(signed) *Wiltm Just.*

CORRESPONDENCE relative to ESTABLISHMENT OF

TENDER for STEAM VESSELS for performing the MAIL SERVICE to and from Sydney, in Australia.

NAMES OF VESSELS.	Tons by Register.	Where built.	Whether propelled by Paddle-wheels or Screws	Horse Power.	Draft of Water when ready for Sea.		Speed.	Consumption of Coals in each Twenty-four Hours.	Day on which the Vessel be ready	
					Feet	Inch.			For Survey	Complete Sea on the pa the Own
Five suitable vessels to be constructed for the ser- vice - - - -	600	Liverpool	Screw	130	12	6	8	240	11 Nov.	15 Nov
	600	"	"	130	12	6	8	240	11 Dec.	15 Dec
	600	"	"	130	12	6	8	240	1851	1851
	600	"	"	130	12	6	8	240	11 Jan.	15 Jan
	600	"	"	130	12	6	8	240	11 Feb.	15 Feb
									11 March	15 Mar

Sir,

Liverpool, 21 January 1850.

WE hereby offer to the Commissioners for executing the office of Lord High Admiral of the United Kingdom of Great Britain and Ireland the above-mentioned steam-vessels for seven years certain, at the rate of Forty-eight thousand pounds per annum, for conveying the said mails monthly between Panama and Sydney, adopting the following route, namely, Otaheite and Bay of Islands (New Zealand), on the outward voyage, and Bay of Islands and Gallapagos, on the homeward voyage, and touching at the following intermediate places, namely,

or at the rate of £. per annum for conveying the said mails monthly between England and Sydney, adopting the following route, namely, and touching at the following intermediate places, namely, subject to the several conditions marked (A.)

And we engage to deliver the said mails within the undermentioned periods subsequent to their embarkation:

	Days.	Hours.
Panama to Sydney - - - - -	41	19
Sydney to Panama - - - - -	40	6
England to Sydney - - - - -	-	-
Sydney to England - - - - -	-	-

In the event of this tender being accepted, we engage that the vessels above mentioned shall be ready for survey and complete for sea on or before the respective times above mentioned, complete, on the owner's part, in every respect; in failure of which, we do hereby engage to forfeit and pay to Her Majesty the sum of 10*l.* for each day any vessel shall be delayed beyond the respective days above mentioned, and the Commissioners are, in that case, to have the option of rejecting her altogether.

And we do hereby agree with the said Commissioners to execute a contract according to the said conditions.

I am, sir,

Your very humble servant,

For the Pacific Steam Navigation Company,

(signed) *Wm Just*,
Managing Director.

The Secretary of the Admiralty.

N.B.—All tenders to be made upon this printed form, and they are to be addressed to the Secretary of the Admiralty, at Somerset Place, with the words, "Tender for the Conveyance of Mails," and "Comptroller of Victualling," in the left-hand corner of the envelope, and no tender will be received unless it be made precisely according to the preceding printed form. Any conditions or alterations which the party tendering may wish to suggest must be added to the tender, either at the end of the printed form, or by a separate letter, at the time of making the tender.

Conditions of the Tenders to be received for a Contract for the Conveyance of Mails to and from Sydney, referred to as marked (A.)

The mails are to be conveyed monthly from Singapore to Sydney, on the arrival of the outward packets of the Peninsular and Oriental Company, and are to be brought to Singapore from Sydney, so as to meet the homeward packet from China. The tenders are to specify the route which the parties tendering propose to adopt, and the intermediate places at which they wish their vessels to touch.

But persons desirous of undertaking to carry the mails between England and Sydney by any other route, and not to and from Singapore, are at liberty to send in tenders specifying such route, and the places at which they are to touch.

The tenders are to state the number of days and hours subsequent to the embarkation of the mails, in which the parties tendering will contract to deliver them at the ports to which they

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they are directed; and if in any voyage the contractors shall not deliver the mails at the time agreed upon in the contract, the Lords Commissioners of the Admiralty shall be at liberty, if they shall deem it right, in addition, and without reference to any proceedings they may take thereon, as a breach of the contract, to deduct from the payment agreed upon in the contract a sum bearing the same proportion to the annual payment that the voyage in question does to the annual number of voyages, provided that it cannot be shown to the satisfaction of the said Commissioners that the delay has arisen from weather or other accidental causes, over which the contractors or their servants had no control, and for which they were not responsible, and has not been caused by deficiency of speed of the vessel.

The tenders are to state the number, tonnage and horse-power of the vessels proposed to be employed, and whether to be propelled by paddle-wheels or screws.

The said Commissioners are to fix, and may alter from time to time, after due notice, the time of the departure of the vessels.

If a naval or other officer is sent to take charge of the mails, accommodation is to be provided for him by the contractors, without payment, and in the event of no such person being employed by the said Commissioners, the commander of the vessel is to become responsible for their safe custody and delivery.

Officers in the naval, military or civil service of Her Majesty, proceeding on public duty, are, with their wives and families, to be allowed to take passages at a reduced rate, amounting to two-thirds of the ordinary fares, by orders to that effect from the said Commissioners, or by persons to whom this authority shall be delegated by them; but the number of officers travelling at these reduced fares is not to exceed two in any one vessel.

The contractors are to provide a convenient and secure place of deposit for the mails on board each vessel, and whatever may be necessary for their embarkation and disembarkation.

The whole postage of all letters conveyed in the vessels employed under the contract, whether carried out of Her Majesty's dominions or not, is to be at the disposal of Her Majesty's Postmaster-general.

The contractors will be liable to a penalty of 100 *l.* for each occasion on which they fail to provide an efficient vessel, in accordance with the terms of the contract, or on which the vessels do not start at the appointed time, or stop, linger, or deviate from the route agreed to, unless it can be shown that the default arose from circumstances beyond the control of themselves or their servants.

If the contract, or any part thereof, should be assigned, underlet or disposed of, without the consent of the said Commissioners, or if the contract should be deliberately and wilfully broken, the said Commissioners are to have the power of immediately terminating the contract.

A penalty of 4,000 *l.* will be incurred by way of stipulated or ascertained damages, in case of the failure of the contractors in the due execution of the contract, and two sureties to that amount will be required, and are to be named at the time of making the tender.

The contract to expire at the end of seven years from its commencement, if twelve months' notice shall have been given by either party, and if not, it is to continue until such notice shall have been given, and the tender is to state when they will be prepared to commence the execution of the contract.

It is understood that the said Commissioners do not engage to accept the lowest tender irrespective of all other considerations, and are not bound necessarily to accept any of the tenders that may be sent in.

CORRESPONDENCE *between the CHANCELLOR OF THE EXCHEQUER*
and the COURT OF DIRECTORS of the EAST INDIA COMPANY.

Gentlemen,

Downing-street, 21 February 1850.

TENDERS having been invited for the conveyance of mails to the Australian colonies, the Peninsular and Oriental Steam Navigation Company have, in connexion with their tender for that object, made a proposal to Her Majesty's Government for a more frequent and extensive communication with Bombay, Calcutta and Hong Kong, as well as Sydney.

Their proposal embraces the re-establishment of a fortnightly communication between Southampton and Alexandria, which was discontinued about two years ago; the conveyance in their vessels, instead of those of the East India Company, of the mails between Suez and Bombay once a fortnight; the continuance of this line to Singapore, where it will be joined by a line of packets running from Calcutta by Penang, and the extension of this united branch to Hong Kong; thus establishing a complete fortnightly communication between this country, the East India possessions and China, besides a monthly communication with the Australian colonies.

In order, however, to enable them to conduct this service with the utmost convenience and economy of which it is susceptible, they consider it essential that it should be performed in their own vessels without any break in the line.

The scheme proposed offers so many advantages, both in regard to the charge on the public, and to facility and expedition in the transit, that Her Majesty's
Government

Government are of opinion that it should not be rejected upon insufficient grounds; but as it involves a departure from the arrangement at present in force between the Government and the East India Company for the conveyance of mails between Bombay and Suez, it is necessary that I should consult the Court of Directors, confidentially, through you, regarding the propriety of a modification of that arrangement before any further steps can be taken in the matter, and I request that you will bring under their notice the reasons that have been urged in favour of the change.

The desirableness of avoiding the trouble and delay arising from transhipment from one vessel to another, and the inconvenience of a change of management in the course of a voyage, have been urged strongly by the Peninsular and Oriental Company, and are indeed sufficiently obvious, but a more serious objection to the existing arrangement has been put prominently forward by them. It is well known that a great portion of the advantage derived by steam-packet companies employed in the conveyance of mails arises from the transport of light merchandize and freight. This source of profit is, however, cut off from the Peninsular and Oriental Company, so long as a part of the voyage is performed in the vessels of the Indian Navy, which, as the East India Company is precluded from trading, cannot, it is understood, be employed in carrying merchandize; and not only is the development of the route, as a mercantile line, thus prevented, but the public is also subjected to a higher charge for the conveyance of the mails, as the contractors are, of course, unable to undertake the service on such low terms as would afford adequate remuneration to them, if they were in possession of the collateral source of profits referred to.

In the case of postal communication between the United Kingdom and the colonies or foreign States, it has been found, from experience, that the service is performed more economically and more efficiently in every respect by entering into contracts with private companies for the conveyance of the mails, than by employing, as was formerly the general practice, Her Majesty's vessels in the service; and the contract system has been latterly extended in every case where it has been practicable to introduce it. This change of system has proved not only beneficial to the public with reference to facilities of communication, and in an economical point of view, but advantageous to the naval service, which has been relieved from a duty not very compatible with its proper functions. With these views, Her Majesty's Government will be prepared, in order to facilitate the proposed arrangement, to give up to the Peninsular and Oriental Steam Company the conveyance of the Bombay mails between Malta and Alexandria, which are at present carried in vessels of the Royal Navy. I am inclined to hope that the same views will operate with the East India Company in inducing them to give up the conveyance of the mails between Bombay and Suez in vessels of the Indian Navy, and to co-operate with the Government in the arrangement above described.

The course which I beg leave to propose to the Court of Directors is, that the postal communication between this country, East India and China, should be combined in one general scheme, and be performed by contract, under the direction of Her Majesty's Government. In order to effect this plan, no change will be necessary in the present arrangements in respect to any portions of the route with India, except that between Bombay and Suez. I propose that the present arrangement with regard to the latter route should cease, when the contribution of 50,000*l.* per annum, at present voted by Parliament, and paid to the East India Company in aid of that service, will, of course, also terminate. That amount was originally fixed as half the expense which it was supposed would be incurred in the actual conveyance of mails between Bombay and Suez in vessels of the Indian Navy, though it is understood that the portion of the charge which has been borne by the East India Company has exceeded 55,000*l.* I propose that, in lieu of this arrangement, the East India Company should contribute one-half of the payment which will be made to the contractors for the conveyance of the mails in their vessels in this portion of the route.

With respect to the extension of the route to the Australian colonies, although the communication which it will afford between them and India is a matter of some importance to the latter country, I do not propose that the East India Company should bear any portion of the expense; but the opening of the line between Calcutta and Hong Kong is clearly of so much importance in facilitating the intercourse of that Presidency with China, that it appears to me that the East

India

India Company may be fairly expected to bear a portion of the expense of that part of the contract. I forbear, however, from entering further, at present, into this part of the question, as the principal object of my communication is to ascertain the views of the Court of Directors with regard to the communication with Bombay, the settlement of which point is a necessary preliminary to the consideration of the rest of the scheme.

I have, &c.
(signed) *Charles Wood.*

The Chairman and Deputy Chairman
of the East India Company.

Sir, East India House, 30 March 1850.
We have had the honour to receive, and have laid before the Court of Directors of the East India Company, your letter, dated the 21st ultimo, stating, that the Peninsular and Oriental Steam Navigation Company, in tendering for the conveyance of mails to the Australian colonies, have made a proposal for a more frequent communication with India and China; and, as that proposal involves a transfer to them from the East India Company of the Bombay and Suez line, requesting the Court's opinion upon the subject;

In reply, we are requested to state to you, that, when the establishment of the mail from Calcutta to Suez was under discussion, it was, after much consideration, determined, on the part of Her Majesty's Government and the Court of Directors, to continue the Bombay and Suez line in the hands of the East India Company; and, consequently, that arrangement formed an essential part of the plan under which the Court, at the instance of Her Majesty's Government, consented to charge the Indian revenues with a portion of the contract price of the Calcutta and China line. Upon the faith of this arrangement, the East India Company have incurred heavy expenses in building large and powerful steamers, and in forming extensive establishments at Bombay.

The Court are, therefore, of opinion that no change should take place which would interfere with present arrangements. The object sought of establishing a monthly communication with Australia, may be at once accomplished by a branch packet from Singapore to that colony.

We beg further to observe, that, previously to the Court's entertaining any proposal for the East India Company's abandonment of the Bombay and Suez line, it will be important to know from you the views of Her Majesty's Government regarding Aden which was acquired and is maintained for the purposes of the steam communication, at a heavy annual cost to the revenues of India, independently of the large sum already expended in fortifications. This expense the Court, whilst performing the duty of keeping up the communication and conveying the mails between Bombay and Suez, have felt themselves justified in incurring, not only because of the necessity of the station for the purposes of that communication, but also upon the ground of the great advantages resulting to their limited but necessary naval force from that regular routine of duty. Were these advantages to cease, and the Government of India to be deprived of the transport of the mails, it would be indispensable that they be simultaneously relieved from the burthen of maintaining Aden.

The Court will be prepared to enlarge the facilities already granted for the conveyance of articles for the public on the East India Company's vessels, and they have little doubt that means may be devised consistently with the law for accomplishing all that can reasonably be expected in this respect.

In the present stage of this correspondence the Court abstain from further observation upon the proposal of the Peninsular and Oriental Steam Navigation Company, which is, in fact, nothing more than a revival of an application made by that Company, and rejected in 1844, and content themselves with expressing their confident expectation that you will concur with them in consistently maintaining the decisions which have been passed on former occasions.

We have, &c.
(signed) *A. Galloway.*
John Shepherd.

The Right honourable
The Chancellor of the Exchequer,
&c. &c. &c.

Gentlemen,

Downing-street, 22 April 1850.

I HAVE had the honour of receiving your letter of the 30th ultimo.

I regret to find by it that the Court of Directors of the East India Company entertain objections to the arrangement which was proposed in my letter of the 21st February last, on the subject of the conveyance of the Indian mails.

The main objection which is urged in your letter appears to be founded on the desire of the Court to maintain the existing arrangement of conveying the mails between Bombay and Suez in steam-packets belonging to the Indian Navy.

I am not, of course, so well able as the Court of Directors to judge of any circumstances peculiar to the Indian service which should modify opinions derived from experience of the course followed in Her Majesty's service; but I may, perhaps, be permitted to observe, that the change from the employment of sailing vessels in the conveyance of mails, having commenced when I had an official and special acquaintance with this branch of the business of the Admiralty, I had an opportunity of forming an opinion on such subjects which my present office does not give me.

Now, although it was certainly thought desirable, in the first instance, that the mails should be conveyed in steam-vessels of the Royal Navy, with the view of forming, at the outset, an efficient body of engineers, and giving other officers an opportunity of acquiring a practical knowledge of steam navigation, it has been found that, after that object was accomplished, and that engineers in considerable numbers were also trained in the merchant steam-vessels, there was no longer any advantage in persevering in that system, and, for the reasons to which I referred in my last letter, the employment of contract vessels in the performance of the mail services is now considered to be the most advantageous as a permanent arrangement; and in very few and special cases only are they now performed in Queen's vessels.

It may, perhaps, be thought that the employment of the line of the Company's packets between Bombay and Suez affords economical means of maintaining and employing during peace a force which would be available for general service in time of war; but I may observe, upon this point, that, in the event of hostilities, the maintenance of the communication with India by the Red Sea would be an object of still greater importance than it is at present. Vessels employed in that service could not, therefore, be withdrawn from it, in order that they might be used as vessels of war; and, so far from a force which would be available for hostile operations being derived from these vessels, it would, in all probability, be necessary to employ an additional force for their protection in their regular periodical voyages, during which they would obviously be peculiarly exposed to attack, from the circumstance of their route and the periods of their arrival and departure being known.

In this view of the case, the question would appear to resolve itself into one regarding the most efficient and economical mode of performing the service under ordinary circumstances.

It is perfectly true that, as stated in your letter, the object sought for of establishing a monthly communication with Australia, may be at once accomplished by the establishment of a branch packet from Singapore to that colony. But this would entail a clear additional expense on the public without any collateral advantages. It may be possible, also, that some of the inconveniences pointed out in my former letter, as arising from the break in the line of communication, may admit of alleviation by the increased facilities which you propose to concede on the part of the East India Company. But the question for present discussion is, whether we should reject an offer, not only for establishing a communication from Singapore to Australia, but for affording extended and more frequent communication with the East, at a cost, both to the Home and East India Governments, lower than that of the present less complete and efficient service. Thus the Peninsular and Oriental Steam Company, in fact, offer to do; and they state that, in order to enable them to attain this object, it is essential that the whole line of communication should be placed under their management, for the reasons which I mentioned to you in my former letter.

I stated to you, in that letter, the advantages offered in their proposal, as regards the lines of communication. I wish now to call your particular attention to the question of expense.

The

STEAM COMMUNICATION *between SUEZ and BOMBAY, &c.* 109

The outlay at present incurred for the Post Office service between India and this country by the Red Sea, for what I may term, for the sake of distinction, the Bombay line, is as follows:—

Communication between Suez and Bombay :

	£.	£.
Paid by the Home Government - - -	50,000	
Expense to the Indian Government, estimated in the evidence before the committee on contract packets, 50,000 <i>l.</i> to 60,000 <i>l.</i> ; say - - -	55,000	
	105,000	
Conveyance of mails in Queen's packets between Malta and Alexandria; say - - -		10,000
	£.	115,000

I have omitted all reference to the other line of communication, carried on at intervals of a fortnight, which I would distinguish as the Calcutta line, which is not affected by this proposal in any way whatever.

The Peninsular and Oriental Company offer to perform the whole of the extended service in connexion with the Bombay line, described in my former letter, for 105,000*l.*, being less, probably, than the whole cost of the present conveyance between Bombay and Suez alone.

I propose that, if this offer be accepted, the proportion of the charge to be paid by the East India Company should be 35,000*l.* This sum will include their contribution, not only for the Bombay line, but also for the communication to Australia, and the second communication to China, comprising, in the latter, the line from Calcutta to Penang and Singapore, to which, as I understand, great importance is already beginning to be attached in India, and in which this country has clearly no direct interest.

With regard to the claim put forward on the part of the East India Company, that, if they accede to the proposal contained in my letter, by which their present expenditure is so considerably reduced, this circumstance would afford grounds on which they should be relieved from the burthen of maintaining Aden. I have only to observe, that I am at a loss to understand how my proposal to relieve them from a certain portion of the expense now paid by them can constitute a claim against Her Majesty's Government to take upon themselves another charge hitherto borne by the East India Company.

Whatever mode may be adopted for carrying on the mail service between Bombay and Suez, the position of Aden is equally required as a port where the steamers may call, and as a place of refuge and defence, which may be essential to the protection of the line of communication by the Red Sea. Its maintenance is, therefore, an object not merely to the parties carrying on the mail service, but to the whole public, for whose benefit this communication is kept up.

The interests of India are mainly concerned in this communication, and it certainly does not appear to me that an arrangement which merely affects the mode in which the packet service is performed, and which is proposed for the common benefit of both Governments, can alter the grounds on which the East India Company has hitherto been charged with the duty of protecting this important station.

The Chairman and Deputy Chairman
of the East India Company.

I have, &c.
(signed) *Charles Wood.*

Sir,

East India House, 6 May 1850

We have the honour to acknowledge the receipt of your letter, dated the 22d ultimo, in reply to the letter which, at the desire of the Court of Directors of the East India Company, we addressed to you on the 30th March, regarding the arrangement proposed, in your communication of the 21st February last, on the subject of the conveyance of the Indian mails.

Having fully reconsidered this subject, in connexion with the statements and remarks contained in your letter, now acknowledged, the Court have requested us to submit to you the following observations —

The Court frankly admit that their chief anxiety upon the main question involved in this correspondence arises from the conviction that the continuance of the Bombay and Suez line in the hands of the East India Company is essential to the efficiency of the Indian Navy. It was this conviction, participated in, as they believe, by the respective authorities to whom the subject was referred for consideration, which formed one of the principal grounds of their objection to the proposition submitted to them in 1843 by the Peninsular and Oriental Steam Navigation Company for the performance of that service, and which induced the Court to require, as a preliminary to the consideration of the measures at that time suggested for the improvement and extension of the steam communication with India, that the arrangements for the conveyance of the mails between Bombay and Suez should remain undisturbed. Much had then been done, and much has since been effected, for the improvement of the Indian Navy, and for the efficient performance of that mail service, at an outlay, on account of the enlargement of docks, the formation of a steam factory and foundry, and the building of steam-vessels, of nearly (1,000,000*l.*) a million sterling, besides the cost of additions to the permanent establishment of officers. The value of that force to the empire of India has been so frequently manifested and acknowledged, that the Court would merely advert to that point as now, more than ever, deserving of consideration, with reference to the extension which has taken place in our line of coast on the north-west; but, like any other force of a similar character, its value must depend upon the state of efficiency in which it is maintained, and hence the great anxiety which the Court feel in the decision of the present question.

The argument which you have used against the employment of Her Majesty's ships as packets, although justly applicable to an extensive service, such as the Royal Navy, appears to the Court to be inapplicable to a service so restricted as that of the Indian Navy. By the adoption of your plan, the means for regularly employing several of the largest vessels would be taken away; but it would not be possible, with due regard to its efficiency, to reduce proportionably the Indian Navy; and, even if reduced, the constitution of the service would preclude the Company from discharging their officers, except upon terms which might be acceptable to them, and which would necessarily occasion a very heavy charge upon the revenues of India on account of pensions and compensation allowances. The Government would, therefore, be compelled either to continue to keep up the present amount of force, and thus prevent any diminution of expense, or to deprive India, in the event of necessity, of the aid of an efficient navy, which has proved invaluable, both in itself and as an auxiliary to the Royal Navy.

The Court are quite aware that these reasons cannot be expected to influence the parties who are seeking to possess themselves of the Bombay and Suez line, but, in addressing you, which they have now the honour to do, as a leading member of Her Majesty's Government, the Court are satisfied that your decision will be governed by a comprehensive view of the whole question, and that you will give due weight to the necessity under which the Government of India is placed of maintaining a suitable naval force. They do not indeed expect, nor would they presume to ask, that you will do this at the expense of the public of England. They are prepared to consent to a revision of the financial arrangement now existing as regards the Bombay and Suez line, in view to the payment to the East India Company being restricted within the narrowest limits consistent with what may be just and reasonable, but they confidently submit that, simultaneously with this, there should be a general revision of the whole of the Indian contracts held by the Peninsular and Oriental Steam Company, which will expire within two years from this time, and that public notice should be given, as soon as may be practicable, inviting offers for the performance of the mail service for a period of seven or ten years. Unless this be done, it appears to the Court that there

there can be no competition, and a monopoly of the most extensive and objectionable character will be extended and perpetuated, to the probable injury of the public revenue, as well as of the commercial interests, both of this country and of India. Indeed, as regards India, it is notoriously already matter of grave complaint that no opportunity has yet been afforded to the shipping and commercial interests there to participate in these contracts.

We would here beg to request your attention to a letter which has been lately addressed to the Court by parties interested in the Trieste route, and of which we enclose a copy. From that letter you will perceive that injurious consequences are apprehended by others, as well as by the Court, if the Bombay and Suez line be transferred from the hands of the East India Company.

With respect to Aden, the Court must again declare that it was acquired solely in view to the communication between Europe and India; and, having carefully reviewed the opinions they have already expressed, they feel confirmed in the justice and propriety of their position, that if the East India Company are to be deprived of all the advantages, direct and indirect, of carrying the mails, the whole of the postage, amounting to a very considerable sum, being received by Her Majesty's Government, an arrangement should be made by which the Company would be relieved from the cost of maintaining that station.

You say, indeed, that you cannot recognize any such consequence as the result of your "proposal to relieve the Company from a certain portion of the expense now paid by them."

But the Court submit that there can be little or no reduction of expense to India from the adoption of your plan; and, with reference to your remark, "that the interests of India are mainly concerned in this communication," the Court cannot doubt that, upon further consideration, you will admit that the interests of Great Britain are identical with those of India in this matter.

The Court might urge further reasons, of a political nature, as rendering it highly important that the close connexion which at present exists between the Egyptian Government and the governing authority in India, and which has mainly resulted from the part heretofore assigned to the East India Company in carrying on the mail service, should not be endangered by the withdrawal of their establishments from Egypt and their vessels from the Red Sea. But they trust that they have said enough to show that the question now under discussion cannot be determined solely, nor indeed principally, by considerations of a financial character, and that it must be viewed and disposed of as a measure which involves the prosperity and security of the vast possessions committed to the government of the East India Company, and, in that view, as materially affecting the best interests of this country.

We have, &c.
(signed) *John Shepherd.*
J. W. Hogg.

The Right hon.
The Chancellor of the Exchequer,
&c. &c. &c.

To the Honourable the Chairman, Deputy Chairman, and Court of Directors of
the East India Company.

The Memorial of the undersigned humbly sheweth,

THAT your Memorialist is the appointed agent of a Society at Trieste, trading under the firm or designation of the "Austrian Lloyd's Steam Navigation Company."

That in the year 1845 the Company represented by your memorialist was induced to put on a fleet of first-class steamers of great power and speed to run between Trieste and Alexandria, a service that has been performed with great punctuality, as well as comfort to the passengers who have tested the advantages which those vessels have afforded; and as the line of railway communication between Ostend and Trieste is complete (with the exception of the distance (60 miles) between Laibach and Trieste, which it is confidently believed will be finished in all next year), both mails and passengers might thus be conveyed at a cheap cost, and with certainty of despatch, in four days to Trieste, and to Alexandria in nine days from England.

Your memorialist, however, on behalf of the Company he represents, finds the course of his business impeded by the conduct of the Peninsular and Oriental Company, who, as far as the voyage between Suez and Madras and Calcutta is concerned, charge for passengers as follows:—

In the months of May, June and July :

For a gentleman :

Calcutta to Suez - - - - -	£. 102
Ditto to Southampton - - - - -	93

For the other months the tariff is somewhat altered ; viz.—

Calcutta to Suez - - - - -	£. 102
Ditto to Southampton - - - - -	115

It is the same with the fares from Suez to Madras, Ceylon, Penang, Singapore and Hong Kong, and *vice versa* ; and when your Honourable Court is reminded that Suez is about midway by sea between Southampton and Calcutta, the inequality of this scale will be the more apparent. That is, to prevent your servants in Bengal and Madras from coming through continental Europe, and to force them round by Gibraltar and the Bay of Biscay to Southampton, the Peninsular and Oriental Company charges them during some months of the year more for a passage to Suez than for the entire voyage from India to England. Whether this is to be perpetuated now depends upon the Court of Directors of the East India Company ; and, but for the communication between Suez and Bombay being carried on by the steamers of your Honourable Court, the same system would no doubt be practised,—a system which your memorialist believes is calculated to injure the service both civil and military of your Honourable Company ; your memorialist therefore prays that, in any new contract entered into for the conveyance of the mails between Suez and the various possessions in the East, it may be a stipulation that a *pro rata* amount of passage-money shall alone be charged between the various ports of India and Suez.

Your memorialist would further respectfully suggest the impolicy of entrusting to a single Steam Navigation Company a steam monopoly of the Indian Seas. Were the boats of your Honourable Court withdrawn from the line between Suez and Bombay, competition would cease, and the Anglo-Indian community be henceforward solely dependent for steam transit upon the Peninsular and Oriental Company. Such a decision could not but be detrimental to the best interests of Hindostan. The solution of the present question, your memorialist would again respectfully observe, has a prospective, as well as a present, bearing on the interests of this great empire ; for, however specious the saving may be made to appear which would accrue by substituting the boats of the Peninsular and Oriental Company for those of your Honourable Court, on the line between Suez and Bombay, it would be dearly purchased, since it can only be brought about by stifling all steam competition in the East for years to come. Now your memorialist is in a position to state that, if the field is not previously sealed by monopoly, there will, at the expiration of the present contracts for the Anglo-Indian mail, be established a line of English steamers between Suez and Calcutta in connexion with Trieste and the Austrian Lloyd's. Whether this, or what is now offered by the Peninsular and Oriental Company, would be most advantageous to our Indian empire, your Honourable Court can judge. Trusting that your Honourable Court will urge upon Her Majesty's Government the propriety of deciding this question purely on its own merits, without mixing it up with "Steam to Australia," a question which, both geographically and politically is obviously more connected with the preservation of British interests in the Western than in the Eastern Hemisphere ; and your memorialist will, as in duty bound, ever pray.

John Wood,

Supp^l Agent,

Austrian Lloyd's Steam Navigation Company.

Austrian Lloyd's Agency,
127, Leadenhall-street, 16 April 1850.

Gentlemen,

Gentlemen,

Downing-street, 17 May 1850.

I HAVE had the honour of receiving your letter of the 6th instant, in reply to mine of the 22d ultimo, on the subject of the arrangements for the conveyance of the Indian mails.

I must, in the first place, beg you will assure the Court of Directors of the East India Company, that I am by no means disposed to underrate the importance of maintaining the efficiency of the Indian Navy.

The value of that force has been frequently manifested, and never more clearly than in the service rendered by it so recently as on the occasion of the late China War.

Neither am I insensible to the outlay which has been imposed on the Company's finances in maintaining such an establishment as may be essential for keeping this branch of their service in a state to render it available for any emergencies that may arise.

But I must confess that it does not appear to me that the performance of the mail service between Bombay and Suez really contributes to render the Indian Navy available in times when a demand for its services may occur. For the reasons stated in my former letter, it seems to me to be clear, that whatever call there may be for the services of the Indian Navy elsewhere, it will be as needful, indeed more needful, at such critical periods than in those of perfect tranquillity to keep in the most efficient state the line of vessels performing the packet service, and therefore the maintenance and cost of this line cannot but be considered as altogether beyond and independent of that of the Indian Navy for any such purposes as are required from a public and national marine force.

I must observe, that if the argument which I advanced against the employment of Her Majesty's vessels as packets is admitted to be applicable to the Royal Navy, I do not see upon what ground it can be held to have no force when applied to a restricted service like that of the East India Company, unless it can be contended that a small force is better enabled than a large one to employ permanently a portion of the vessels of which it consists on a detached service.

With regard to your observations respecting the charge which would be entailed on the revenues of India for pensions and compensation allowances in the event of a reduction of the Indian Navy, I beg leave to remark, that, as some time must elapse before the arrangements for establishing a new line of packets can be completed, opportunity would be afforded to the Company of effecting gradually such reductions as may be desirable; but whatever pensions and allowances may be granted to discharged officers, they would form only a temporary charge on the revenues, and must be less in amount than the present permanent charge for the remuneration of officers in active service.

With reference to that part of your letter in which you state the readiness of the East India Company to consent to a revision of the present financial arrangement, as regards the Bombay and Suez line, with the view of relieving this country from some portion of the expense now incurred by it, I have to assure you, that I have no wish to impose upon the East India Company terms which are unjust or unreasonable towards them. On the contrary, I considered that the arrangement proposed in my former letters was calculated to relieve them, as well as this country, from unnecessary expenditure, and at the same time to extend the communications between this country and different parts of the East. I cannot help thinking that, on a further consideration of my communications on this subject, you will be satisfied that throughout the whole correspondence I have treated the interests of both Governments as identical, and that no advantage in the reduction of expense, or in facilities of communication, was sought for on behalf of this country, which would not be equally participated in by the East India Company.

From the remarks in your letter regarding the expediency of postponing any arrangement for the present, with the view of inviting competition for the whole of the Indian contracts, at the expiration of those at present held by the Peninsular and Oriental Steam Company, it would seem that the East India Company are apprehensive that the conclusion of the arrangement which I proposed would have the effect of establishing a monopoly of an extensive and objectionable character. I may perhaps be allowed to observe, on this point, that although it may be expedient sometimes to resort to competition, with a view of imposing a check upon companies who may desire to enter into private contracts of this nature, my own experience of the subject has not led me to conclude that the most satisfac-

tory arrangements for the public have been the result of open tender; and I think that on the contrary, much advantage is obtained by the Government reserving to itself the opportunity of dealing with each particular service in such a manner as a careful consideration of circumstances may at the time point out. The arrangement now under consideration offers many advantages in itself, and is not connected in any way with the service now performed on the Calcutta line, and the acceptance of the offer of the Peninsular and Oriental Steam Company, so far from granting them a monopoly, will leave the Government at liberty to pursue any course which it may think proper with respect to the Calcutta line, on the expiration of the existing contract two years hence, either by renewing an engagement with the Peninsular and Oriental Steam Company, on such terms as a careful investigation of their accounts may warrant, or by throwing the contract open to competition.

The immediate object which gave rise to the correspondence is the contemplated arrangement for opening a line from Singapore to Sydney; and it must be apparent to the Court of Directors, that it is of importance to a company undertaking that service, that they should perform also the service from hence to Singapore, so that the service from one end of the line to the other may be in their own hands, for the obvious purpose of facilitating the arrangements of various kinds for passengers and goods. The concession of this point would enable the Company to undertake the whole line at a lower rate than the proportionate rate for any part of it by itself, and at the same time to combine with it other services not originally contemplated, in which the East India Company is mainly interested. This latter circumstance appears to have escaped your attention, when you referred to the question of expense.

You have put an interpretation on my observations with respect to the fortress of Aden which they were not intended to convey. I did not mean to imply that this country was not equally interested with the East India Company in the arrangements for the postal communications with India; but it appeared to me that the maintenance of a point of call and support was a duty of Government, and that in that light the duty of maintaining Aden was one that attached to the East India Company, rather than to Her Majesty's Government. The positions held by Her Majesty in the Mediterranean are of an analogous character; and it might be held with equal justice that the East India Company should contribute towards the expense of maintaining a packet station at Malta, which is equally essential to the communication with India, as that Her Majesty's Government should incur the charge of the station at Aden.

I must, in conclusion, state, that I entertain myself no doubt of its being for the advantage both of this country and of India that the proposed plan should be carried into effect as soon as possible.

I am, of course, aware that the present engagement between the Government and the East India Company for the conveyance of the mails from Suez to Bombay is in force for a further period of two years, and that it cannot be disturbed without the consent of the East India Company; but I earnestly hope that they will not, by withholding their consent from the proposal now made, oppose an obstacle to the conclusion of an arrangement most conducive, as it appears to me, to the interests of this country and of India, as well as of some of our most rising colonies, and by which the important commercial intercourse with China and Australia, both from this country and from India, will be so signally promoted.

I have, &c.

The Chairman and Deputy Chairman
of the East India Company.

(signed) C. Wood.

East India House, 17 May 1850.

The Chairman and Deputy Chairman of the East India Company present their compliments to the Chancellor of the Exchequer, and, with reference to their letter of the 6th instant, regarding the conveyance of the Indian mails, have the honour

honour to forward copies of two further letters which have been addressed to the Court of Directors on the subject of the proposed arrangement with the Peninsular and Oriental Steam Navigation Company.

The Right honourable
The Chancellor of the Exchequer, Whitehall,
&c. &c. &c.

Mr. A. Hender
7th May 1855
Mr. C. D. Ha
11th May 1855

To the Chairman, Deputy Chairman and Court of Directors of the Honourable
East India Company.

Gentlemen,

I OBSERVE by the public papers that you have been waited upon by a deputation of Members of Parliament, and others connected with Australia, soliciting the East India Company to further their views for steam communication with Sydney, by withdrawing the Indian Government mail packets from the conveyance of public despatches between Bombay and Suez; and that subsequent deputations had ended in disappointment, attributed to an interference of the East India House, which was "unknown during the last seven years in which this subject has been agitated, both here and in the colonies." (*Vide "Times," 23d of April.*)

The course of that agitation is detailed in the accompanying paper, submitted to the Admiralty, Colonial and other departments last year, showing that it has been maintained since 1846, by parties connected with bankers and merchants in Sydney, and with the Peninsular and Oriental Steam Company, advocating the route *via* Torres Straits, in opposition to parties connected with the five southern colonies, who desire direct communication by the Cape route, for which tenders have been made since January 1850.

The "Times" of the 24th April develops the real object of this agitation, by arguing that the cost of the Indian Government packets between Bombay and Suez is far beyond what would be incurred by the Peninsular and Oriental Company, that Company offering, if allowed to assume that branch of the service, to establish at the same time a line from Singapore to Sydney, and to fulfil both services for a less charge than is now paid for the Bombay line alone.

I need not inform you that this alludes to the 100,000*l.* paid for the Bombay mails jointly by Her Majesty's and the Indian Governments, under the arrangements of 1837. But I must remind you, that the managers of the Peninsular and Oriental Company have sought that object ever since they obtained the exclusive grant of 20,000*l.* a year from your Honourable Court; and that in 1843-44, by agitation, newspaper agency and fallacious statements, they succeeded in obtaining all the contracts in the India and China seas, the East India Company not participating in the arrangements, or India shipping in the contracts; and that although 70,000*l.* a year of the Indian revenue was expended, the Indian Government had no control over the contractors.

This inconsistent arrangement of the contracts was proved before the Committee of the House of Lords in 1847 (*Parl. Paper, 282*) to have had its origin in a like proposal of the Peninsular and Oriental Company to assume the Bombay line, under pretence of economy; and before the Committee of the Contract Packet Service last Session it was shown that the proposal was rejected, and that the bi-monthly mail at present in operation was adopted in conformity with the arrangements I had proposed to Government in 1843-44.

It is also shown that, with the exception of the Bombay mail, the Peninsular and Oriental Company obtained the monopoly of all contracts in the India and China Seas, on their own terms, to the exclusion of tenders made on behalf of vessels established in India. This has resulted in the ruin of the three steam enterprises then established in India, and the withdrawal of most of the shipping engaged in the trade to China.

Having been connected with that branch of the Indian trade since 1817, and with most steam enterprises in those seas since 1828, taking an active part in promoting steam communication with India, participating in the offer to maintain it for 100,000*l.*, made by the East India Steam Company in 1839-40, and carried out their views by establishing the line between Calcutta and Suez in 1842, I feel I should not fulfil the duty I owe to my friends, still interested in Indian shipping, and those who have shared with me in the pecuniary losses incurred by the India

Steam Company, if I refrained from bringing to your notice officially the proceedings and publications by which the Peninsular and Oriental Company seek to extend their usurpation of the steam-carrying trade of the Indian seas.

On public grounds, whether as one deeply interested in the welfare of India, or as a proprietor of India stock, I humbly suggest, that it would neither be expedient nor economical to withdraw the steam-vessels of the Indian Government from the service of conveying the public despatches and officers between the local and home Governments. If economy is to be effected by the reduction of the steamers of the Indian Navy, the Government must be dependent on a London company for the conveyance of troops in the Indian seas; seeing that the fleet of Indian shipping that hitherto provided transport for troops, has been withdrawn or ruined by the monopoly exercised by a London company; while the employment of their mail steamers on such service must interrupt the conveyance of despatches at an important period.

Moreover, both economy and efficiency could be better obtained by re-organizing the present system of contracts in the Indian seas, before they expire in 1852; and by following the recommendation of the Committee on the Contract Packet Service, which is as follows:

“The Committee recommend great caution, either in renewing the existing contracts, or in forming new arrangements. They suggest that if it be decided to renew the existing contracts, the most strict and searching inquiry be instituted by some responsible department in Government, into the cost of the execution, and into the manner in which the service is performed.”

To concede the requirements of the Peninsular and Oriental Company would be to act in direct opposition to the recommendation of the House of Commons; would forestall the reorganization of the contracts, and burthen the revenue of India with expenses appertaining to Her Majesty's and the Colonial Government. Those revenues would be paid to a London Company, enabling them to continue their monopoly of the steam-carrying trade of the Indian, and extend it to the Eastern seas, by preventing local steam enterprise, and the legitimate employment of Indian shipping, transferring the profits of Indian and colonial shipowners to parties in England and Ireland possessed of Parliamentary influence.

To the several pecuniary losses incurred by those who were associated with me in establishing steam communication between Calcutta and Suez in 1842, I will not further allude, than to state, that the reply you did me the honour to address to me on the 25th of January 1849, has been transmitted to my fellow-sufferers in India, consisting of 52 English and native gentlemen, who have expended nearly 50,000*l.* in their endeavour to promote an object beneficial to India.

This was done on the assurance of support from your Honourable Court, in October 1839, and from the Bengal Government in May 1840, which support you deemed proper to withdraw when the Peninsular and Oriental Company submitted their deceitful offer for 20,000*l.* a year to maintain a monthly communication for five years, which was only made as a means of excluding the “Precursor” and India Steam Companies of Calcutta, of crushing local enterprise, and furthering their own monopoly.

You are no doubt aware that, in the hope of reorganising the whole system of steam communication in the Eastern hemisphere, I laboured to obtain a Committee of the House of Commons, which, when it did assemble, was made to include all other contracts, directing but little of its time to the important question I had in view, limiting the inquiry to existing contracts, and only admitting such evidence as bore upon them (the Peninsular and Oriental Company's interest being closely watched by their managing director being on the Committee) misunderstanding my statements, and refusing to admit the three important papers which I now beg to lay before you, and on which, I assert, the whole question hinges, notwithstanding a pamphlet of 87 pages circulated by the Peninsular and Oriental Company.

These documents, which have already been forwarded to the Board of Trade, Colonial and other departments, in anticipation of the present attempt to forestall the removal of the contracts, consist of three tabular statements of the past, present and proposed distribution of contracts for mails.

From 1838 to 1847 the statement shows the distances and contract payment, the steamers and capital employed on each line, the cost and return from traffic reduced to a mileage-rate, so that the deficiency or excess of traffic may exhibit the equitable claim on Government for conveying the mails, as well as the unnecessarily

cessarily high payments made to some contractors, deducing therefrom the proper amount of public aid required on each line. A comparison exhibits the anomaly that during the first five years the West India contract was carried out, the returns from the traffic did not average 7 s. a mile, and the contract payment 12½ d. a mile; while the first two years the contract in the Indian Seas was carried out, the traffic exceeded 30 s. a mile, and the contract payment was 20 s. a mile.

The result has been, that while the West India Mail Company had received no adequate return for the capital invested, the Peninsular and Oriental Company have had returned to them seven and eight per cent for 10 years, besides accumulating a reserve fund of some 40 per cent., or 400,000 l.

The West India mail contracts have just been reorganized, on the principle of continuing the payment of 240,000 l. a year to the West India Mail Company, thereby enabling them to recover their losses, and maintain the steam-carrying trade of the Atlantic in British vessels, against the active competition of the Americans, aided by Government.

It is to be hoped that the Indian contracts may be reorganised on the same principle of enabling those who incurred losses in first establishing steam communication on the line so profitable to those who ousted them, to participate in future public support, and that the present monopolists, having obtained so large a profit from the Indian contracts, may in future be restricted to such contracts as are in direct communication with ports in the United Kingdom, leaving to the Indian and Colonial Governments and shipping the arrangements for the local and inter-colonial steam communication.

A reference to the columns of the table for the year 1842 exhibits the equitable claim on Government for mails conveyed 38,000 miles in that year by the India Steam Company of Calcutta to be 24,753 l., or 13 s. a mile.

This arose from the deficiency of traffic usual the first year, but shows it was doubled the second and third years, when the Peninsular and Oriental Company received 20,000 l. from your honourable Court. A comparison of the cost and traffic also shows that the contract payment of 115,000 l., or 20 s. a mile, was unnecessarily high. The exclusion from the contract on the China branch proposed, forced the sale of the "India" to the Peninsular and Oriental Company for three-sevenths of her cost, entailing a loss of 254,961 rupees subscribed capital, and for sailing expenses, 265,847 rupees (after receiving 10,825 rupees from the Bengal Steam Fund), for which 52 English and native gentlemen are liable.

Paper (D.) represents the present position and the amount of revenue from postage, the contract payments, the distance, and terms of the various contracts, the steamers of each, and the sailing ships carrying mails without payment.

Paper (E) is a comprehensive scheme for the future steam communication in the Eastern hemisphere.

There is, moreover, a return of the distances, cost of the mails, and the receipts from postage in the Indian seas, showing an expenditure of 120,000 l. of Indian revenue against 61,642 l., by Her Majesty's Government, after deducting 78,858 l. received for postage.

The proposed arrangements for the mails in the Indian seas are based on the appropriation of the Post Office receipts from the mails carried to the payment for their conveyance in those seas, and its distribution by Her Majesty's Post Office as a mileage-rate on the several lines of mail communication, as follows:

The vessels of the Indian Navy continue to convey the mails and Government despatches between Bombay and Suez: the 35,000 l. now voted by Parliament, should be commuted for a payment by Her Majesty's Post Office to the East India Company of a mileage-rate equivalent to the postage, and half the expenses of public despatches.

My suggestions are, to continue the present arrangements with the Peninsular and Oriental Company, giving them notice that their contract will not be extended beyond the time it expires in 1852.

All future contracts for mails in the Indian seas from ports of the Indian Government, to be formed under the management and contract of that Government, it receiving from Her Majesty's Post Office an equivalent to their receipts from postage on a mileage-rate on each line, and undertake to provide from the revenues of India for the difference between the cost of conveyance and the returns from traffic.

This could be best effected by the principles adopted by the East India Railway, the Indian Government guaranteeing the interest, and its officers participating in its management.

The tabular Statement (E.) exhibits the distances and estimated cost to Government on three lines to Bombay, Bengal and Singapore, showing that these three lines can be maintained at a less cost to India than the present two; while by the development of the traffic under the management of the local Government and the parties interested, there is little doubt that the pecuniary aid needed from Government will be reduced; at the same time the number of steamers available for public service will be greatly increased, as well as facilities for their repair and despatch.

The requirements of the parties connected with Australia and the Eastern Archipelago, I humbly suggest, can be satisfactorily met by adopting immediate measures for the establishment of the third monthly line between Singapore and Suez, as detailed in the comprehensive scheme: this shows that, by altering the departure of the "Bombay Express" from the 7th to the 4th of each month, a third mail despatched *via* Trieste on the 14th of each month, could be conveyed by the new line to Aden, Ceylon and Singapore; thence to Sydney by the proposed colonial branch steamers.

I base the proposition on the well-known fact, that the passenger traffic between Suez and Singapore far exceeds the limited accommodation of the present line of steamers, there being a great many passengers from Java, Manilla and the Eastern Archipelago, while such high fares are exacted from those not coming to England by their vessels that the Australian Lloyd's Steam Company are negotiating to establish a line of steamers between Java, Singapore and Suez.

From many years' experience in the Eastern trade, I feel convinced that if foreigners thus get a footing, the ruin of the Indian shipping will be completed; it is already reduced to one-sixth of the tonnage of 1825; at that time there were generally 20 regular Indiamen in the Indian seas belonging to your Honourable Company, who, notwithstanding exclusive privileges, diffused the benefit of their trade through the merchants and shipping of India; whereas under the threatened monopoly, the benefits and profits of the local trade will principally accrue to those unconnected with the country.

Such is the system that has ruined the shipping trade of Java since 1825, when the monopoly of the Dutch Maatschappij of Amsterdam exercised its pernicious sway.

In conclusion, on the part of the shipping trade and interest of India who claim more particularly your fostering care; I beg to crave the protection of the Court of Directors of the East India Company against the unjust and oppressive monopoly that is destroying them; this alone can be accomplished by the means I have already alluded to; that is, that your Government will adopt towards a steam company the principle you have already extended to the East Indian and Bombay railways. This, if agreed to, may enable the Indian community to retrieve their present unfortunate position, and to resist not only the present mail contract monopoly, but also the competition proposed to be raised against them by the Australian Lloyd's, as already stated, and by an American company, who propose to run between Calcutta and Suez (as intimated by letters just received from Calcutta), and lead them to hope that in any new arrangements in which the revenues of India are devoted to mail communication by steam-vessels, they may have a fair opportunity of competing for the contracts, and participating in the service.

To afford them an opportunity to do this, I would submit, arrangements should be immediately made to form a company, which, taking up a new line, would work itself into efficiency before the expiry of the present contracts; and if your Honourable Court will grant your assistance and support by a guarantee of interest on a capital of 200,000 *l.*, I propose forming a company, under control and supervision of your officers, similar to that now exercised in the Eastern railway, giving preference to parties at present engaged in Indian shipping and trade, and thus establish a line of steamers to run between Singapore, Ceylon and Suez.

I have, &c.

London, 7 May 1850.

(signed) *Andw. Henderson*

Note.—The Enclosures to this letter were printed papers and have been mislaid

Sir,

STEAM COMMUNICATION *between SUEZ and BOMBAY*, &c. 119

Sir,

Meriton's Wharf, Bermondsey, 11 May 1850.

So many articles having appeared in the "Times" (doubtless for substantial reasons best known to themselves) for the purpose of puffing up the advantages of carrying on a steam communication to Australia through the means of the Peninsular and Oriental Company, and accusing the East India Company of standing alone in the way of the completion of so desirable an object, and which is again repeated in the Money and City Article of this day's paper, in which it is stated, "Obstacles interposed by the India House still constitute the only cause of delay; but a disposition has already been manifested to defer to the strong feeling of the mercantile community on the subject, &c."

To prove to you, sir, that that feeling exists only in the imagination of the "Times," I take the liberty to forward you the two accompanying pamphlets, and to draw your attention to the copies of the memorials in pages 27, 28, 29, 66, 67 and 68 of the "Collection of Letters, &c.," and in the other pamphlet to the "Admiralty" letter in page 14, and to the comparison of the rates of passage and freights in page 28.

I have, &c.
(signed) C. D. Hayes.

John Shepherd, Esq.,
Chairman to the Honourable East India Company.

Note.—The Enclosures to this letter were two printed pamphlets.

The Chancellor of the Exchequer presents his compliments to the Chairman and Deputy Chairman of the East India Company, and begs to acknowledge the receipt of the pamphlets and letters which they have been good enough to forward to him.

Downing-street, 20 May 1850.

Sir,

East India House, 7 June 1850.

1. We have the honour to acknowledge the receipt of your letter, dated the 17th ultimo, in which, after noticing some of the observations contained in our former communication on the subject of the conveyance of the Indian mails, you express your earnest hope that the Court of Directors will not, by withholding their consent from the proposed plan for the conveyance of the mails on the Bombay and Suez line, "oppose an obstacle to the conclusion of an arrangement most conducive," as it appears to you, "to the interests of this country and of India, as well as of some of our most rising colonies, and by which the important commercial intercourse with China and Australia, both from this country and from India, will be signally promoted."

2. In reply, we are requested by the Court to state, that, with every desire to co-operate with Her Majesty's Government in the furtherance of objects deemed important for the public interests, they are unable to discover any ground upon which they would be justified in consenting to relinquish to the Peninsular and Oriental Steam Navigation Company the Bombay and Suez line. Indeed, the more they reflect upon the subject, the stronger is the Court's conviction that, as regards those interests more immediately committed to their charge, very injurious consequences would result from the withdrawal of the vessels of the Indian Navy from this sphere of duty, in order that the service may be performed by those of the Peninsular and Oriental Steam Navigation Company.

3. The object which you are seeking to accomplish, and in which the measure under discussion originated, is steam communication between Singapore and Australia. Of the importance of that object the Court are duly sensible, and they are prepared to give suitable aid towards it, upon the plan of adding a branch line from Singapore, which, if Her Majesty's Government think fit, might be arranged with the Peninsular and Oriental Steam Navigation Company, who are already under contract for the line to Singapore. By following this simple plan, the Court are satisfied that your wishes, and those of the public, would be speedily effected, whilst by mixing it up with the Bombay and Suez line (with which it seems to the Court to have no connexion), the question becomes unnecessarily complicated and embarrassed, and great and indefinite delay must be anticipated.

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4. The

4. The main, indeed, as it appears to the Court, the only argument adduced in favour of the course proposed, is that of presumed economy; but the Court have shown that, as respects India, the change would not lead to any proportionate reduction of charge, whilst it would be carried out at the expense of the efficiency of the Indian Navy; and, as respects England, the Court have expressed their readiness to submit to a revision of the sum paid to the East India Company on this account upon fair and reasonable principles.

5. We are aware that, two years hence, it will be competent to Her Majesty's Government to revise the subsisting arrangement; but we are confident—a feeling in which the Court fully participate—that where no palpable public advantage can be attained, you will, when that period expires, pause before you take a step calculated, as we think, to impair the efficiency of an important arm of the Indian service.

6. Supposing that it be determined to make a change as respects the Bombay and Suez line, you intimate a desire to effect it without waiting the two years. The Court have reason to believe that the Peninsular and Oriental Steam Company would not be able to establish a new line of packets in a shorter period than 18 months; but the Court continue to be very strongly of opinion that it should be understood and be publicly notified, that the whole of the contracts, of which the service in question was a part, will undergo early revision. With every deference to your experience, the Court must still contend that the very expensive contracts with the Peninsular and Oriental Steam Navigation Company, for lines on which there is a large and rapidly increasing traffic, should be submitted to a rigid test in sufficient time, before the expiration of those contracts, to ensure a well-devised system of competition, should such a course be deemed expedient.

7. With respect to Aden, the Court apprehend that you have overlooked the important fact that it was obtained and fortified solely as a place of call for the vessels conveying the mails, and that no just analogy can be held to exist between such a station and places which, like Malta and Gibraltar, are maintained as political stations of first-rate character and importance.

8. In reference to your observation that “other services not originally contemplated, in which the East India Company is mainly interested,” have escaped our attention, we would beg to state that the Court are not aware of any services of importance to the Indian empire that may not be performed as cheaply and more promptly by independent arrangements than by an interference with the present mode of conducting the mail service between Suez and Bombay, which line of communication forms no legitimate portion of the direct route from Europe to Singapore.

We have, &c.

(signed) *John Shepherd*
J. W. Hogg.

The Right honourable
The Chancellor of the Exchequer,
&c. &c.

Gentlemen,

Downing-street, 22 June 1850

I HAVE had the honour of receiving your letter of the 7th instant, and I learn with great regret, that the Court of Directors do not think it advisable to concur in the arrangement which I have proposed on the subject of the conveyance of the mails on the Bombay and Suez line, in connexion with an extended communication to Australia and China.

I have not heard anything, in the course of our correspondence, which induces me to differ from the conclusions at which I had arrived on the subject.

By the existing arrangements (independently of the conveyance of the mails through France to Malta, which will remain undisturbed by my proposal) mails are conveyed from Malta to Bombay, where the packet service stops, at an expense of not less than 110,000*l.* to this country and India.

According to my proposal, this service would continue to be performed, and there would be added thereto the following services:—

1. The re-establishment of what was called the “heavy mail” from Southampton.

2. The

2. The conveyance of English mails forward from Bombay to Singapore and China, together with a branch line of packets from Calcutta to Singapore, thus establishing a direct communication from Calcutta to China.

3. And the establishment of a line of packets from Singapore, conveying the English and Indian mails to the Australian colonies.

For the whole of this service there would be paid 105,000*l.*; so that it may fairly be said that the whole of the additional service which I have stated above would be performed without any additional cost to this country and India taken together.

Throughout the whole of my consideration of this question, I have, in truth, treated the two countries as having but one common interest, and, in the proposed division of the expense, I have not been unmindful of the interests of India. At present, out of the 110,000*l.*, this country pays 60,000*l.*, and the cost to the Indian Government is not less than 50,000*l.* I proposed to divide the sum of 105,000*l.* in the proportions of 70,000*l.* to be paid by this country, and 35,000*l.* by the Indian Government; so that, while this country paid somewhat more for the additional service, the advantages of it were obtained for India, with a reduction in her expenditure to the extent of at least 15,000*l.* per annum.

I cannot but think, looking to the magnitude of the additional service, and the reduction of expenditure to the Indian Government, that the Court of Directors have taken a mistaken view of their own interests in declining to accede to the proposed scheme; and I very much regret that their dissent prevents me from obtaining without any additional expense what appears to me so great an advantage to the postal communications of the empire.

I should have been disposed to offer a few remarks on some of the observations in your letter; but as I cannot add anything to what I have already said on this subject, I am afraid no advantage can arise from continuing our correspondence upon it.

It is obvious that, as the avowed motive of the Peninsular and Oriental Steam Navigation Company, for making an offer on the very advantageous terms which I have communicated to you, was the benefits which, in their opinion, would result to them from the establishment of the whole of the proposed line of communication, we cannot expect terms so favourable in respect of the establishment of only a portion of that line. Indeed, it is equally obvious that, whilst the present arrangement is in force at a cost larger than that of the proposed service, whatever sum we may have to pay for the smallest increase to our present communications must be a clear addition to the expense which we now incur.

Of this additional expense the Court of Directors express their willingness to bear a fair share; and I may have to communicate with you further, when I have considered the possibility of effecting any arrangements for the performance of a portion of the services embraced in the proposal which has been the subject of our correspondence.

I have, &c.
(signed) *Charles Wood.*

The Chairman and Deputy Chairman
of the East India Company.

Sir,

East India House, 17 July 1850.

We have had the honour to receive, and to lay before the Directors of the East India Company, your letter, dated the 22d ultimo.

The Court would have abstained from troubling you with any observations in reply, had it not appeared to them to be necessary, in order to prevent misapprehension.

You state, that the Peninsular and Oriental Steam Navigation Company have offered to undertake the Bombay and Suez line, to convey mails from Bombay to Singapore and China, with a branch line of packets from Calcutta to Singapore, and to establish a line from Singapore to Australia, for the sum of 105,000*l.* per annum; but we would beg to remind you that this proposal is made by a company enjoying the benefit of a contract, under which it receives, jointly from Her Majesty's Government and the East India Company, the sum of 160,000*l.* per annum for the Calcutta and Suez line, with a branch to China, a line of large and increasing traffic, producing profits which would soon render it independent

of any contract. It is no matter of surprise to the Court that, pending these engagements, the Peninsular and Oriental Steam Navigation Company should offer to perform the additional services on the terms stated, whereby they would, in effect, secure to themselves a continuance of such engagements, and a monopoly of all steam communication to the eastward of Suez, a monopoly which might press with severity, not only upon passengers, but commercial traffic. The existing contracts, however, expire in less than two years. The Court hope that a revision of them will take place in sufficient time to allow of competition, should such a course be deemed expedient. It may then be seen whether, independently of the present lucrative contract, the separate services alluded to in your letter could be performed on the terms submitted by the Peninsular and Oriental Steam Navigation Company; but it must be apparent, that the contemplated revision would be greatly embarrassed were such an arrangement now made as that proposed by you.

As India now pays 100,000*l.* per annum, receiving back from Her Majesty's Government 50,000*l.*, and would have to pay 35,000*l.*, without aid from Government, you observe that the result would be a saving to India of at least 15,000*l.* per annum. To accomplish this, there must be a reduction in the charges of the Indian Navy to the extent of at least 100,000*l.* per annum; but as there can be no such reduction consistently with the efficiency of that naval force, which is so essential to the Indian Empire, it is obvious that the financial effect of the proposed change would be a loss, or additional burthen to India, of 85,000*l.* per annum, instead of a saving, as assumed in your letter.

We beg to add, that the Court will be ready to consider any proposal which you may wish to make to them for the charge to India of a fair proportion of the cost of establishing a communication by steam with Australia, the object which has given rise to the present correspondence, and in the accomplishment of which the Court have always felt a deep interest.

We have, &c.
(signed) *John Shepherd.*
J. W. Hogg.

The Right hon.
The Chancellor of the Exchequer,
&c. &c. &c.

Gentlemen,

Downing-street, 18 July 1850.

I HAVE had the honour of receiving your letter of the 17th instant. I had thought that our correspondence on the subject of the proposal made by the Peninsular and Oriental Steam Navigation Company, with respect to the conveyance of the Indian, China and Australian Mails, had been closed; but as you have thought it desirable to address me again, for the purpose, as you state, of removing misapprehension, I am under the necessity of observing, that the remarks conveyed in your letter appear to me to be themselves founded on misapprehension of the effect of the proposed arrangement.

Your letter assumes that the acceptance of the proposal would secure to the Peninsular and Oriental Steam Navigation Company a continuance of existing arrangements, and would prevent a fair consideration of any revision of the contract which they now hold for the Calcutta and Suez line.

I must beg leave to remind you, that this point has already been adverted to in our correspondence, and that in my letter to you of the 17th May I stated that "the acceptance of the offer of the Peninsular and Oriental Company, so far from granting them a monopoly, will leave the Government at liberty to pursue any course they may think proper with respect to the Calcutta line, on the expiration of the existing contract two years hence, either by renewing an engagement with the Peninsular and Oriental Company, on such terms as a careful investigation of their accounts may warrant, or by throwing the contract open to competition."

I confess that I do not understand the statement, that a loss of 85,000*l.* per annum would result to the East India Company from the conveyance of the mails between Suez and Bombay by contract vessels.

I have already so fully entered into the question of the employment of the Indian navy on the packet service, and what effect this must necessarily have upon its efficiency in case of any demand for its services in a period of hostilities, that I need make no further observations on that point.

I will

STEAM COMMUNICATION *between SUEZ and BOMBAY, &c.* 123

I will merely remark that, so far as the packet service is concerned, the portion of the Indian navy at present employed in it may be at once put down on the discontinuance of the present arrangement for the conveyance of the mails between Bombay and Suez. The lowest sum at which the cost of the vessels employed in this service by the East India Company can be estimated being 100,000 *l.*, a reduction to that extent in the cost of the Indian Navy might be at once effected. Of course, if it should be necessary to employ that portion of the force upon other services, the same expense of maintenance would be incurred; but in that case the expense would be wholly irrespective of the packet service, and must be justified by the circumstances which called for it.

Of the above sum of 100,000 *l.*, the sum of 50,000 *l.* is paid by this country, and 50,000 *l.* by the East India Company. The charge of the extended packet service to be borne by the East India Company, as I proposed it in my former letter, would have been 35,000 *l.*, and the difference, therefore, between 50,000 *l.* and 35,000 *l.*, viz. 15,000 *l.*, is the least sum which would be saved to them by my proposal. If, indeed, as seems probable from the evidence given before the Committee of the House of Commons, the expense at present incurred by the Company is more than 50,000 *l.*, the saving to them by the proposed arrangement would, of course, be greater than the sum which I have named.

The Chairman and Deputy Chairman of
the East India Company.

I have, &c.
(signed) *Charles Wood.*

STEAM COMMUNICATION BETWEEN
SUEZ AND BOMBAY, &c.

COPIES of CORRESPONDENCE respecting
Establishment of STEAM COMMUNICA
tion between *Suez* and *Bombay*, or between
and *Calcutta* or *Ceylon* and *Hong Kong*
with the *Australian Colonies*.

(*Sir James Hogg*)

Ordered, by The House of Commons, to be printed
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STEAM COMMUNICATION BETWEEN SUEZ AND BOMBAY, &c.

[The following Papers are Enclosures in the Letter of Mr. Henderson, of 7 May 1850, to the Chairman, &c. of the East India Company, and should have followed that Letter in the CORRESPONDENCE relative to the Establishment of STEAM COMMUNICATION between Suez and Bombay, &c. recently printed (Parliamentary Paper, No. 693), but were mislaid, as stated in a Note at the bottom of page 118 of that Paper.—The missing documents have since been supplied by Mr. Henderson.]

Paper (A.)

THE EAST INDIAN STEAM NAVIGATION COMPANY.

To be Incorporated by Royal Charter.—Capital £. 800,000.

Chairman—T. A. Curtis, Esq.

Deputy Chairman—J. P. Larkins, Esq.

Directors—John Bagshaw, Esq.; Henry Gouger, Esq.; Benjamin Harding Esq.; Major Head; Capt. A. Henderson; Frederick Hodgson, Esq., M.P.; Charles Kerr, Esq.; Capt. W. C. Lempriere; William Little, Esq.; James Mackillop, Esq.; Jacob Montefiore, Esq.; Capt. Nairne; John Pirie, Esq., Alderman; Henry C. Robarts, Esq.; Alexander Rogers, Esq.; John Small, Esq.; R. Thurnburn, Esq.; with power to add to their number.

Auditors—Sir John Rae Reid, Bart., M.P.; J. H. Pelly, Esq.

Solicitors—Messrs. Freshfield & Sons.

Bankers—Messrs. Robarts, Curtis & Co.

Secretary—R. Macdonald Stephenson, Esq.

Superintendent of Steam Vessels—Capt. James Barber.

The practicability of maintaining a Steam Communication with India by way of the Red Sea has been fully proved by the experiments tried by the East India Company, though, from the inefficiency of the vessels employed by them, and the unavoidable irregularity of the Indian Dāk, its advantages and facilities have not been completely developed, while other reasons, arising from the urgency of the public service, will prevent the East India Company from ever maintaining the communication with the required certainty.

The communication, moreover, has been of small value to passengers, because confined to the line between Bombay and Suez; passengers arriving at Alexandria from India finding no direct conveyance to England, and being frequently detained many days in uncertainty and inconvenience, waiting the means of proceeding to Malta, or to France, at either of which places they are subjected to a long quarantine. Neither can passengers arriving at Suez from England depend on finding the means of conveyance thence to India.

The British Government has recognized the necessity of intrusting the Post-office Service to private associations in all cases of distant steam navigation. The considerations which have led to this conclusion on the part of the Government apply with tenfold force in the case of the East India Company.

It is therefore proposed to establish a Company, to carry into effect a plan which, by means of Steam Ships of large tonnage and powerful engines, shall connect the intercourse between Calcutta, Madras, Ceylon and England, in one unbroken chain, reducing the communication as nearly to a certainty as any human calculations and efforts can accomplish. It would be most desirable that the Presidency of Bombay should also be included in the general

arrangement, and there can be no doubt that eventually this will be done, but for the present the East India Company purpose to retain this in their own hands.

With the foregoing views, communications have been opened with the Steam Committees in India, and by the last mail the Directors have received remittances of money with the assurance of additional subscriptions, provided the line between Suez and Calcutta, &c. (now wholly unoccupied), be established in the first instance.

To meet the wishes of the Indian public, and looking to an immediate profitable return in the general call for such a preliminary step, it is proposed to purchase and despatch to Calcutta, with the least possible delay, the largest Steam Vessel procurable, to be employed between that port and Suez, making four voyages from each place in the year.

To carry the entire service into effect for a regular monthly communication, it is intended to build six Steam Ships of such tonnage and power as to be applicable to the route by the Cape of Good Hope, in case of any interruption to that through Egypt.

The Vessels will also be so constructed as to admit of their carrying an effectual armament in case of any warlike contingency.

The number of passengers annually passing between Europe and our Indian possessions was 3,169 in the year 1833-4, of which 603 only were from Bombay, leaving 2,566 for Sailing Ships between Calcutta, Madras, and Ceylon, and Europe; and it may be fairly assumed that at least one-third of that number will immediately adopt the shorter, cheaper and more expeditious route which will be afforded by the establishment of the proposed first Steam Boat, that many persons will avail themselves of the Company's Ships as a conveyance from port to port in India, and that there will be eventually a great increase of travellers consequent on increased facilities.

The following calculations are formed on the basis of only 640 passengers the first year of operations with one vessel, and 1,800 in the subsequent years with four vessels.

From detailed calculations which have been made on those data which experience has already furnished, the estimated outlay, charges and revenues are exhibited in the following abstract:—

OUTLAY, FIRST YEAR :

For immediate operations, and during the period required for the construction of the full complement of Steamers for the Eastern Side.

Purchase of One Vessel for immediate Service, and Building and	}	£.
Fitting Three large Steam Ships, with Cost of Stations and		
Incidental Charges - - - - -		
		330,000

ANNUAL CHARGE FOR ONE VESSEL, FIRST YEAR :

For Wages, Coals, Victualling, Insurance, Sinking Fund for	}	£.
Renewal and Wear and Tear, and Charges for Four Voyages to		
Suez and back - - - - -		
		32,500

INCOME, FIRST YEAR :

640 Passengers between Calcutta and Suez, less Victualling Charges,	}	£.
but exclusive of Light Freight, or Post-office Service - - - - -		
		56,400
Yielding a dividend of 7 per cent. on the Capital required	}	
to complete the Eastern Line, or - - - - -		
		23,900

ANNUAL

STEAM COMMUNICATION *between* SUEZ and BOMBAY, &c. 3

ANNUAL CHARGES, SECOND YEAR:

With the Four Steamers which will then be ready to complete the Eastern Side, and to connect Suez with Ceylon, Madras and Calcutta, by monthly communication.

For Wages, Coal, Victualling, Insurance, Sinking Fund, and Charges of all kinds for Twelve Voyages in the year	£. 130,000
--	---------------

INCOME, WITH FOUR VESSELS, SECOND YEAR:

1,800 Passengers between India and Suez, less Victualling	£. 151,200
Intermediate Passengers, Light Freight and Parcels	18,000
	<u>169,200</u>
Yielding a dividend of 11½ per cent. on the paid up Capital, or £.	<u>39,200</u>

ENTIRE OUTLAY:

For Completion of the Comprehensive Line, between England, Calcutta, Madras and Ceylon.

Purchase and Building Four Vessels for the Indian Line, as above	£. 330,000
Building Three Vessels, for the European Line, and a Fourth to replace the smaller one in India, thus completing Seven Vessels of corresponding size and power	270,000
Making a total Outlay for the whole Line	£. <u>600,000</u>

ANNUAL CHARGES FOR THE WHOLE LINE:

For Twelve Voyages on Indian Line	£. 239,000
And do. do. on European side	-

INCOME:

Upon Completion of the entire Comprehensive Line:

For 1,488 Passengers, from Calcutta, Madras and Ceylon, to England, less Victualling	£. 171,120
For 1,580 intermediate Passengers upon an average, for short passages	108,600
For Periodicals, Books, Light Parcels, &c. &c., £ 1,000 per passage	808,720
Yielding a profit of 10½ per cent. upon the Capital invested, or £.	<u>66,720</u>

No contribution for Post-office Service has been included in these calculations; but there can be no doubt that the Company, when once in operation, must be employed by Government to carry the Mails.

To carry into effect the Plans of the Company, the following outline is proposed: That Steam Ships shall start on a fixed day in each month from England and Calcutta; the time calculated on for the performance of the route being, from

England to Alexandria	- - - - 14 days.
" Ceylon	- - - - 35 to 37 "
" Madras	- - - - 38 to 40 "
" Calcutta	- - - - 42 to 45 "

The route across the Isthmus of Suez to be at the charge and under the superintendence of the Company.

The sum of £. will amply suffice for establishing a monthly communication between Suez and Ceylon, Madras and Calcutta; and a further sum 693.—1. of

of £. for establishing a corresponding monthly communication between Alexandria and England; but the Capital is fixed at £.800,000, to enable the Company to include Bombay at a future period, and also to provide Steam Ships for such Branch Lines as may hereafter be thought desirable, so as to extend the communication to all parts of India and places to the Eastward.

Application will be made to the Crown for an Act of Incorporation to limit the responsibility of the Members of the Company.

The Capital Stock of the Company to be £. 800,000, in 16,000 shares of £. 50 each; £. 10 per share deposit to be paid on the allotment of the Shares; £. 10 in three months from that time; £. 5 in three months from second payment; and the remainder by instalments of £. 5 each when called for by the Directors upon three months' notice. 5,000 shares have been reserved for the Subscribers in India, of which a considerable number have already been subscribed for in Calcutta, and in Madras, and a deposit paid upon them. The Directors are to prescribe the mode of paying the Indian Subscriptions, so as to equalize them with the payments on the shares in London.

In case of failure to pay any Instalment when due, the Shares and all previous Payments made in respect thereof to be forfeited.

The general affairs of the Company to be managed by a Board of Directors in London, the qualification of each of whom shall be 50 shares, to be elected by the Shareholders resident in England.

The affairs of the Company in India to be managed by a Board of Directors in Calcutta, elected by Shareholders resident in India, with a Local Committee at Madras and Ceylon.

Two Auditors to be appointed; their qualification to be 20 shares each.

In all the affairs of the Company, the Proprietors holding

10 shares to be entitled to 1 vote.	
25 - - - - 2 "	
50 - - - - 3 "	
100 - - - - 4 "	

but no person to have more than 4 votes.

The first Directors are to remain in office five years, after which three of the Directors shall go out of office annually, and an election by the Proprietors shall take place to supply the vacancies; but such Directors may be re-elected.

There will be half-yearly meetings of the Company, at which dividends will be declared, and all other usual business transacted.

The Charter will prescribe the constitution of the Company, and provide for the establishment of Local Committees for the management of the Company's concerns in India.

Paper (B.)

PROPOSED PLAN FOR THE ACCELERATION OF THE
INDIAN MAILS.

THE accompanying scheme for accelerating and improving our Steam Communication with India is based on the fact, that with the exception of 840 miles between Malta and Alexandria, there are now two distinct lines of communication employed conveying one mail, by one of which letters seldom arrive before the departure of the outward mail, and the other five to nine days later. By separating the two lines into two distinct semi-monthly mails, and adopting the suggestions in the accompanying statements and tables, the letters by the Bombay and Marseilles route will arrive in London from four to seven days before the departure of the mail, and in Calcutta three to five days; by the Southampton and Calcutta route, the mails and passengers will arrive about the time of the departure of the outward vessel, with more uncertainty consequent on a longer sea voyage of 3,500 miles. This semi-monthly communication prevents the delay of the mails from accidents exceeding fifteen days, and the two separate
lines

CORRESPONDENCE, &c.

No. 1.

T. F. ELLIOT, Esq. to Sir C. E. TREVELYAN.

Sir,

Downing Street, 22d August 1850.

I am directed by Earl Grey to forward the copy of an address of the House of Lords for correspondence between the Treasury and other departments on the subject of steam navigation with the Australian Colonies; and I am to request, that in laying the same before the Lords of the Treasury, you will move their lordships to give the necessary directions for furnishing this department with the means of presenting the information called for by the address.

I have, &c.

(signed) T. FRED^t ELLIOT.

No. 1.
T. F. Elliot, Esq.
to
Sir C. E. Trevelyan,
22d August 1850.

5th August 1850.

No. 2.

Sir C. E. TREVELYAN to T. F. ELLIOT Esq.

Sir,

Treasury Chambers, 3d December 1850.

In reply to your letter of the 22d August last, forwarding copy of an address of the House of Lords for "Copies of all correspondence between the Treasury and any other department of Her Majesty's Government with the East India Company on the subject of steam navigation with the Australian Colonies," I am commanded by the Lords Commissioners of Her Majesty's Treasury to transmit herewith copies of the correspondence on this subject, so far as it relates to this department.

I am, &c.

(signed) C. E. TREVELYAN.

No. 2.
Sir C. E. Trevelyan
to
T. F. Elliot, Esq.,
3d Dec. 1850.

No. 3.

The CHANCELLOR OF THE EXCHEQUER to the CHAIRMAN and DEPUTY CHAIRMAN of the EAST INDIA COMPANY.

Gentlemen,

Downing Street, 21st February 1850.

Tenders having been invited for the conveyance of mails to the Australian Colonies, the Peninsular and Oriental Steam Navigation Company have, in connexion with their tender for that object, made a proposal to Her Majesty's Government for a more frequent and extensive communication with Bombay, Calcutta, and Hong Kong, as well as Sydney.

Their proposal embraces the re-establishment of a fortnightly communication between Southampton and Alexandria, which was discontinued about two years ago; the conveyance in their vessels, instead of those of the East India Company, of the mails between Suez and Bombay, once a fortnight; the continuance of this line to Singapore, where it will be joined by a line of packets running from Calcutta by Penang; and the extension of this united branch to Hong Kong; thus establishing a complete fortnightly communication between this country, the East India possessions, and China, besides a monthly communication with the Australian Colonies.

(1.)

A 2

In

No. 3.
Sir C. Wood
to
Chairman and
Dep. Chairman
of E. I. Company.
21st Feb. 1850.

4 CORRESPONDENCE WITH THE EAST INDIA COMPANY ON

In order, however, to enable them to conduct this service with the utmost convenience and economy of which it is susceptible, they consider it essential that it should be performed in their own vessels, without any break in the line.

The scheme proposed offers so many advantages both in regard to the charge on the public, and to facility and expedition in the transit, that Her Majesty's Government are of opinion that it should not be rejected on insufficient grounds; but as it involves a departure from the arrangement at present in force between the Government and the East India Company for the conveyance of mails between Bombay and Suez, it is necessary that I should consult the Court of Directors, confidentially through you, regarding the propriety of a modification of that arrangement, before any further steps can be taken in the matter; and I request that you will bring under their notice the reasons that have been urged in favour of the change.

The desirableness of avoiding the trouble and delay arising from transshipment from one vessel to another, and the inconvenience of a change of management, in the course of a voyage, have been urged strongly by the Peninsular and Oriental Company, and are indeed sufficiently obvious; but a more serious objection to the existing arrangement has been put prominently forward by them. It is well known that a great portion of the advantage derived by steam packet companies employed in the conveyance of mails arises from the transport of light merchandize and freight. This source of profit is, however, cut off from the Peninsular and Oriental Company so long as a part of the voyage is performed in the vessels of the Indian navy, which, as the East India Company is precluded from trading, cannot, it is understood, be employed in carrying merchandize; and not only is the development of the route as a mercantile line thus prevented, but the public is also subjected to a higher charge for the conveyance of the mails, as the contractors are of course unable to undertake the service on such low terms as would afford adequate remuneration to them if they were in possession of the collateral source of profits referred to.

In the case of postal communications between the United Kingdom and the colonies or foreign states, it has been found from experience that the service is performed more economically and more efficiently in every respect by entering into contracts with private companies for the conveyance of the mails than by employing, as was formerly the general practice, Her Majesty's vessels in the service; and the contract system has been latterly extended in every case where it has been practicable to introduce it. This change of system has proved not only beneficial to the public with reference to facilities of communication and in an economical point of view, but advantageous to the naval service, which has been relieved from a duty not very compatible with its proper functions.

With these views, Her Majesty's Government will be prepared, in order to facilitate the proposed arrangement, to give up to the Peninsular and Oriental Steam Company the conveyance of the Bombay mails between Malta and Alexandria, which are at present carried in vessels of the royal navy.

I am inclined to hope that the same views will operate with the East India Company in inducing them to give up the conveyance of the mails between Bombay and Suez in vessels of the Indian navy, and to co-operate with the Government in the arrangement above described.

The course which I beg leave to propose to the Court of Directors is, that the postal communication between this country, East India, and China should be combined in one general scheme, and be performed by contract under the direction of Her Majesty's Government. In order to effect this plan, no change will be necessary in the present arrangements in respect to any portions of the route with India, except that between Bombay and Suez. I propose that the present arrangement with regard to the latter route should cease, when the contribution of 50,000*l.* per annum, at present voted by Parliament and paid to the East India Company in aid of that service, will, of course, also terminate. That amount was originally fixed as being half the expense which it was supposed would be incurred in the actual conveyance of mails between Bombay and Suez in vessels of the Indian navy, though it is understood that the portion of the charge which has been borne by the East India Company has exceeded 55,000*l.* I propose that, in lieu of this arrangement, the East India Company should contribute one half of the payment
which

lines afford the requisite accommodation separately to the passengers from Bombay and Bengal, with the advantage of a new and direct conveyance for passengers between Alexandria, France, and England. By the plan here proposed, the above-mentioned advantages could be obtained at a very trifling increase of expense, certainly much less than increase of postage from two mails.

As to the expense: these schemes were drawn up under the impression that the Peninsular and Oriental Steam Company were under engagements to establish a monthly communication between Calcutta and Suez; but as it appears from the report of that Company, published on the 30th ultimo, that it is not now their intention to complete this monthly communication, it becomes necessary to consider how that can be effected, and the expense of properly establishing this line and its extension to Singapore and China.

This service will require four large steamers, and to keep them in effective repair, would occasion an outlay of £.40,000 in Calcutta for dry dock, workshop, machinery and tackle, which, together with the four ships and coal depôts, would render necessary a capital of £.400,000.

The distance to be steamed being 115,000 miles, it would be necessary, if vessels of 500 horse-power were used, to send 25,000 tons of coal to Calcutta, Madras, Ceylon, Aden and Suez every year, at a cost of some £.75,000, and the expense of maintaining this line may be estimated as follows:—If in the large Atlantic steamers the cost has been from 21s. to 26s. a mile, the cost in India may be estimated at 30s. a mile, which (for the 115,000 miles) would entail an annual outlay of £.172,000. From the result of the last two years, the return from passengers on this route may be fairly estimated at between £.100,000 and £.125,000 a year, so that the assistance needed from Government to establish this line would be about £.60,000 a year either in money or coals. The extension of the line from Ceylon to Singapore could be established by two vessels of 250 horse-power, belonging to the Bengal Government, and the line between Singapore and China by steam-vessels from the China squadron, or if this service is performed by contract steamers, these two lines would need the aid of Government to the extent of some £.40,000 per annum. The annual expense of maintaining the Steam Communication with India and other parts, taken from the evidence of Lord Lowther, and the papers laid before Parliament last Session, were as follows:—

For the mails between Falmouth and Alexandria by the Peninsular Company's Vessels - - - - -	}	£. 31,000
For the mails between London and Marseilles by French Post, through France - - - - -	}	11,000
For the mails between Marseilles and Malta by two of Her Majesty's steamers; the cost of coal would be about - - - - -	}	2,000
For the mails between Egypt and Bombay; Treasury Grant to the East India Company - - - - -	}	50,000
Expense of the Steamers of the Indian Navy in excess of grant on an average of four years to East India Company - - - - -	}	20,000
Total annual cost of the conveyance of the monthly Indian Mails in the years ending 5 Jan. 1842 and 5 Jan. 1843 - - - - -	}	£.114,000

In the year ending 5th January 1843, when the line between Suez and Calcutta was occupied by the "India," the returns from postage by the Falmouth line was £.26,311, and by the Marseilles line £.37,666, so that the expenditure for the mails exceeded the returns nearly £.50,000; an outlay advantageously employed in establishing a national steam fleet in India.

During the same year, the expenditure for the West India mails by contract steamers was £.240,000, and the returns £.37,012, so that the expenditure in establishing a fleet of 14 contract steamers on the Atlantic, exceeds £.200,000 a year.

During the present year the Hindostan will have made four voyages between Suez and Calcutta, for which under their engagement with the East India Company, the Peninsular Steam Company are to receive £.20,000, and for six voyages in 1844, a like sum; but, as before stated, they have neither the intention nor the means of completing the monthly communication, other vessels must be provided

provided for that service. Available for the purposes of this proposed semi-monthly communication, there are on the European side for the mail or Marseilles route, the two Government steamers that now convey the mails between Malta and Marseilles to convey them direct between Alexandria and Marseilles, for which the additional cost of coal will be some £. 1,500 ; and for the Southampton mail, the present contract steamers, to leave the 22d of each month, instead of the 1st. In India, the Government have a fleet of nine war and packet steamers, from 350 to 230 horse-power, of the Indian Navy, stationed at Bombay, with a most efficient engineering establishment and large docks at that place, and coal depôts at Aden, Suez, and Ceylon. In Calcutta, they have seven war and packet steamers, from 250 to 100 horse-power, and a small engineering establishment.

For the Bombay and Suez line, the distance of 72,000 miles in the year is little more than sufficient work for the nine vessels to keep their engines and crews in efficient order and practice ; and by relieving each vessel at Aden and Suez, a day's detention will be saved, and the speed of the vessels considerably increased by their boilers being kept clean.

For the Calcutta line, requiring accommodation for the numerous passengers from that part of India, there are, belonging to two Calcutta Steam Companies, the "India," already on the line in 1842, and the "Precursor" in London ready for service ; and belonging to the Peninsular and Oriental Company, the "Hindustan," now employed on the line, and the "Bentinck," on her passage out to India.

As it appears from the estimates that the aid of Government is needed for this line, to the extent of £. 60,000 a year, expediency would suggest that if this sum was apportioned to the twelve voyages, according to the monsoon and amount of passage-money, the service could be effected early in 1844, by alternate voyages being undertaken by the two vessels belonging to the London and Dublin party, or Peninsular and Oriental Company, and those belonging to the Calcutta Companies, Local or Indian party, who have invested their capital in this undertaking.

The Bengal Government Steamers might extend the communication to Singapore and China in 1844, if this line was thus completed.

These vessels may continue this monthly communication for two years ; but when their copper or boilers require renewing, a long interruption must occur, as there is no dry dock in Calcutta long enough to receive them, or any engineering establishment adequate to the repair and removal of their engines and boilers with the requisite facility.

From the failure of all such enterprises in India, unaided by Government, such an establishment offers no inducement to speculators to undertake it ; so that if steam navigation in India is to keep pace with the rapid strides it is making in Europe, such establishments as this must be undertaken by the Government in Calcutta as it is in Bombay.

If the mails in India are to be conveyed by contract steamers, the whole management of which must be in that country, it would seem but reasonable that the contractors should be residents in India, and that the recipients of aid from the Indian Governments should be there to be accountable for the fulfilment of their engagements.

London, }
18 December 1843. }

Andrew Henderson.

PROPOSED MEANS OF ACCELERATING THE INDIA MAILS,

SO AS TO GIVE SIX DAYS FOR REPLYING BY RETURN POST WITH THE PRESENT GOVERNMENT ESTABLISHMENT, AND FORMING A SEPARATE HALF-MONTHLY COMMUNICATION WITH THE CONTRACT STEAMERS.

The great desideratum in these arrangements is, that the letters should arrive four or five days before the return post is despatched.

The principal reason this is not effected at present, is the detention in Egypt, waiting for passengers, and then being transferred to contract steamers between Malta and Alexandria, instead of by Government vessels, direct between Alexandria and Marseilles.

The plan proposed by the Peninsular and Oriental Company of conveying the mails between Suez and Bombay by their large vessels, that also convey the passengers between Calcutta and Suez, is highly objectionable: 1st Because the advantage of 10 to 15 miles additional speed of very large vessels is neutralized by the extra detention for coaling at Aden. 2d That nearly half the mails from India are not intended to start from Bombay. 3d That by replacing the fleet of Government steamers, now employed, by three or four large private steamers employed on the Bengal line, the mails are dependent on one vessel instead of two, and if an accident happens, there is no dock in India long enough to repair them in. 4th. That one vessel cannot accommodate the passengers from all India.

A monthly communication gives 91 days between three mails, so

that to effect this object, the passage between London and Calcutta must be accomplished in 40 days. This cannot possibly be done by the route from Southampton to Alexandria, and from Suez to Calcutta; the distance by sea being 7,800 miles, or 39 days' steaming, besides six days to cross Egypt and detention for coaling.

The route through France to Egypt, and thence to Bombay, the distance by sea is only 4,300 miles, and by land 6 1/2 days' journey, so that, even at 180 miles a day under steam, it can be effected in 40 days; provided the mail line is entirely separated from the contract or passenger line, and is conveyed direct between Marseilles and Alexandria immediately on arrival by fast steamers; and between Suez and Bombay by the fastest of the nine steamers of the Indian Navy, with an exchange of vessels at Aden and Suez, to prevent delay in coaling, and give time to keep the engines in the most efficient state. These alterations, with the present establishments, will effect the four or five days' acceleration required; say, one day coaling at Aden, one day increase of speed, two days in transmitting the mails through Egypt without waiting for passengers, and one day by not stopping at Malta.

The time and distances are estimated as follows.—		From London by	Days	Hrs.
express through France to Marseilles	-	-	4	12
From Marseilles direct to Alexandria by Her Majesty's steamers	-	-	6	12
From Alexandria to embarkation at Suez	-	-	2	0
From Suez to Aden, 1,350 miles, Aden to Bombay, 1,630; whole distance, 3,000 miles, at 7 1/2 knots, or 180 miles a-day, including 6 hours for transshipping mails and passengers at Aden, would occupy between Suez and Bombay	-	-	17	0
TOTAL time required for Mail between London and Bombay			30	0

It will be seen by reference to the Table, that during the S.W. monsoon there is an allowance of three days extra for the passage from Bombay to Aden, which, if going the direct passage of 1,650 miles, would be accomplished at an average speed of 5 1/2 knots or 132 miles a-day. The distance by the southern passage is 2,200 miles, in 12 1/2 days, at an average of 7 1/2 knots or 180 miles a-day, and even if four days more, the mail would arrive in London before the outward one left.

It is estimated that the time required for transmitting the Mail by Dawk from Bombay to Calcutta, would average 10 days, and to Madras six days, or between London and Calcutta, 40 days.

No. of Days between Months, &c.	No. of Days between Quarters, &c.	LONDON		ALEXANDRIA	SUEZ	ADEN	BOMBAY	MADRAS	CALCUTTA	No. of Days before Return Post	No. of Days on Outward Passage	No. of Days on Return Passage	CALCUTTA	MADRAS	BOMBAY	ADEN	SUEZ	ALEXANDRIA	LONDON	Days of Return Post					
		Mails despatched from Post Office at 8 p. m.	Mails arrived here via Marseilles in 11 days at 8 p. m.	Mails despatched from hence on the 18th day at 8 p. m.	Mails arrived here in 20 1/2 days, and then transhipped at noon.	Arrived here on the 30th day at 8 p. m.	Mails arrived here by 10 days Dawk on the 30th day, at 8 p. m.	Mails arrived here by 10 days Dawk on the 40th day, at 8 p. m.	Mails to be despatched by Dawk from hence at 8 p. m.				Mails to be despatched by Dawk from hence at 8 p. m.	Mails to be despatched by Steamer from this at 8 p. m.	Mails arrived, and then transhipped at 8 p. m.	Mails arrived here at 8 p. m.	Mails despatched from here at 8 p. m.	Mails arrived here via Marseilles, at 8 p. m.							
31	01	7	6 January	17 January	19 January	27 January	5 Feb	23	11 Feb.	12	15 Feb.	4	40	40	19 Feb.	23 Feb.	1 March	9 1/2	11 March	18 Mar	20 March	31 March	91	March	84
30	01	7	5 February	15 February	16 Feb.	26 Feb.	7 March	24	13 March	12	17 March	4	40	40	21 March	25 March	31 March	9 1/2	10 April	17 April	19 April	30 April	80	April	84
30	01	7	7 March	18 March	20 March	28 March	6 April	24	12 April	12	16 April	4	40	41	20 April	24 April	30 April	10 1/2	11 May	18 May	20 May	31 May	85	May	84
31	01	7	7 April	18 April	20 April	28 April	7 May	23	13 May	11	17 May	3	40	43	20 May	24 May	30 May	12 1/2	12 June	19 June	21 June	2 July	86	June	84
30	01	7	7 May	18 May	20 May	28 May	6 June	23	12 June	11	16 June	3	40	43	19 June	23 June	29 June	12 1/2	12 July	19 July	21 July	1 August	86	July	84
31	02	7	7 June	18 June	20 June	28 June	7 July	23	13 July	11	17 July	3	40	43	20 July	24 July	30 July	12 1/2	12 August	19 Aug.	21 August	1 Sept.	86	August	84
30	01	5	7 July	18 July	20 July	28 July	6 Aug	23	12 Aug.	11	16 August	3	40	43	19 August	23 August	29 August	12 1/2	11 Sept.	18 Sept.	20 Sept.	1 October	86	September	84
31	02	6	7 August	18 August	20 August	28 August	8 Sept.	24	12 Sept.	12	16 Sept.	4	40	40	20 Sept.	24 Sept.	30 Sept.	9 1/2	10 October	17 Oct.	19 October	30 October	84	October	84
31	02	6	7 September	18 September	20 Sept.	28 Sept.	7 Oct.	24	13 October	12	17 Oct.	4	40	40	21 October	25 October	31 October	9 1/2	10 Nov.	17 Nov.	19 November	30 Nov.	85	November	84
30	02	6	7 October	18 October	20 October	28 October	8 Nov	24	12 Nov.	12	16 Nov.	4	40	40	20 Nov.	24 Nov.	30 Nov.	9 1/2	10 Dec.	17 Dec.	19 December	30 Dec.	84	December	84
30	01	7	8 November	17 November	19 Nov.	27 Nov.	6 Dec.	24	12 Dec.	12	16 Dec.	4	40	40	20 Dec.	24 Dec.	30 Dec.	9 1/2	9 Jan.	16 Jan.	18 January	29 Jan.	84	January	84
30	01	7	8 December	17 December	19 Dec.	27 Dec.	5 Jan.	24	11 January	12	15 Jan.	4	40	40	19 Jan.	23 Jan.	29 Jan.	9 1/2	8 Feb.	15 Feb.	17 February	28 Feb.	84	February	84

The dates of Departure from London to be the same every year. In all cases when the despatch falls on a Sunday, the Mails to be despatched on Saturday previous.

The dates of Departure from the three Presidences of India to be the same every year, except Leap-year, when it must be despatched one day earlier in March, April, May and June.

STEAM COMMUNICATION between SUEZ and BOMBAY, &c.

PROPOSED PLAN FOR A SEMI-MONTHLY COMMUNICATION

WITH CEYLON, MADRAS AND CALCUTTA, BY THE PRESENT CONTRACT STEAMERS, AND A MONTHLY MAIL, via CEYLON, TO PENANG, MALACCA, SINGAPORE AND CHINA.

As for the reasons stated, it is necessary to separate the two lines, it is most advisable to form a semi-monthly communication with the contract or passenger vessels. The tabular scheme exhibits the dates of arrival, calculated at the rate of 200 miles per day, of 8½ knots an hour. Such large vessels may often exceed that, and allow two or three days to answer letters; but in a run of 7,300 miles the exactness necessary for a mail cannot be expected. Another objection to such large vessels conveying the monthly mail is, that if an accident happens they cannot be docked in India, so that the whole would be thrown into confusion, while if conveying a semi-monthly mail it would only cause 15 days' loss. The letters can be answered by return of post from all places except Calcutta, and all answered from London if despatched via Marseilles.

The Peninsular Steam Company receive £31,000 per annum for conveying the mails between England and Alexandria, at the rate of 200 miles a-day. The distances on this line are from Southampton to Gibraltar, 1,150 miles; Gibraltar to Malta, 1,015 miles; and from Malta to Alexandria, 835 miles; total, 3,000 miles, or 15 days' steaming; and allowing 12 hours for coaling at two ports, would require 17½ days for the passage between England and Alexandria, and from thence to Suez, three days. Between Suez and Calcutta, the Peninsular and Oriental Company receive £20,000 a-year for a monthly communication, with vessels of 530 horse-power, in 1845, and for making six voyages in 1844. The distances on this line are, from Suez to Aden, 1,350 miles; Aden to Ceylon, 2,160 miles; Ceylon to Madras, 600 miles; and Madras to Saugor, 700 miles (within 6 hours post of Calcutta); total distance, 4,760 miles, which, at 200 miles a day, would occupy 23 days, 20 hours; so that, including 2½ days for coaling at three ports, and the 12½ days for sailing, the mails would reach Calcutta in 45 days from London.

The return mails would require the same time, except in the four months of the S.W. monsoon, one day extra, for the southern passage from Ceylon to Aden.

The monthly communication between Ceylon and Singapore could be efficiently maintained by two smaller steamers, the distance being only 1,585 miles, namely, Ceylon to Penang, 1,200 miles; Penang to Malacca, 260 miles; and Malacca to Singapore, 125 miles, which, includ-

ing stoppages at two ports, would occupy 10 days. As there would be many passengers from China, Java and the Straits, on this line, the conveyance of the mails and public despatches would only cost a supply of coals to contract steamers, should the Bengal government vessels not be employed on that service.

The monthly communication between Singapore and China would probably be effected by Her Majesty's steamers on the China station, or it could be maintained at a moderate cost by contract vessels, combining good sailing qualities with small

steam-power applied to a screw-propeller, the distances between Singapore and Hong Kong being by the direct and inner passages 1,560 miles, against the N.E. monsoon by the Palawan passage, 1,930 miles, and by the outer passage, 1,620 miles, requiring eight days with a fair monsoon, and 10 to 12 against the monsoon. The following table explains the details of an arrangement alternately with the Bombay mail, to form a semi-monthly communication between England and India.

OUTWARD MAILS FROM LONDON TO INDIA AND CHINA.

No. of days between Monthly Mails	Days between Mails by steamer	LONDON		ALEXANDRIA	SUEZ	ADEN	CEYLON	MADRAS	CALCUTTA	PENANG	SINGAPORE	CHINA		
		Mails made up at noon on the 15th day at 4 a.m.	Mails arrived on the 15th day at 4 a.m.	Mails despatched on the 16th day at 4 a.m.	Mails arrived on the 15th day at 10 p.m.	Despatched at	Mails arrived on the 17th day at 4 p.m.	Despatched at	Mails arrived on the 18th day at 4 p.m.	Despatched at	Mails arrived on the 19th day at 10 p.m.	Despatched at	Mails arrived on the 20th day at 10 p.m.	Despatched at
31	5	21 Jan -	6 February -	9 Feb -	16 Feb -	17 Feb -	27 Feb -	1	3 March -	7 March -	4	6 March -	1	10 March -
30	5	20 Feb -	8 March -	11 Mar -	17 Mar -	18 Mar -	29 Mar -	1	2 April -	6 April -	4	8 April -	1	17 April -
30	5	22 March -	7 April -	10 April -	16 April -	17 April -	28 April -	1	2 May -	6 May -	4	8 May -	1	17 May -
31	5	22 April -	8 May -	11 May -	17 May -	18 May -	29 May -	1	2 June -	6 June -	4	8 June -	1	17 June -
30	5	23 May -	7 June -	10 June -	16 June -	17 June -	28 June -	1	2 July -	6 July -	4	8 July -	1	17 July -
31	5	23 June -	8 July -	11 July -	17 July -	18 July -	29 July -	1	2 Aug -	6 Aug -	4	8 Aug -	1	17 Aug -
30	5	22 July -	7 August -	10 Aug -	16 Aug -	17 Aug -	28 Aug -	1	2 Sept -	6 Sept -	4	8 Sept -	1	16 Sept -
31	5	22 August -	7 September -	10 Sept -	16 Sept -	17 Sept -	28 Sept -	1	2 Oct -	6 Oct -	4	8 Oct -	1	16 Oct -
31	5	22 Sept -	8 October -	11 Oct -	17 Oct -	18 Oct -	29 Oct -	1	2 Nov -	6 Nov -	4	8 Nov -	1	17 Nov -
30	24	22 Oct -	7 November -	10 Nov -	16 Nov -	17 Nov -	28 Nov -	1	2 Dec -	6 Dec -	4	8 Dec -	1	16 Dec -
30	5	21 Nov -	7 December -	10 Dec -	16 Dec -	17 Dec -	28 Dec -	1	1 Jan -	5 Jan -	4	7 Jan -	1	16 Jan -
30	5	21 Dec -	6 January -	9 Jan -	15 Jan -	16 Jan -	27 Jan -	1	31 Jan -	4 Feb -	4	6 Feb -	1	17 Feb -

RETURN MAILS FROM INDIA AND CHINA TO LONDON

Days between Mails	Days between Mails by steamer	LONDON		ALEXANDRIA	SUEZ	ADEN	CEYLON	MADRAS	CALCUTTA	PENANG	SINGAPORE	CHINA		
		Mails arrive at 10 a.m. in London, at southern station at 45 or 46 days at 4 a.m.	Mails despatched from the 20th or 21st day at 7 p.m.	Mails arrive on the 23rd or 24th day at 7 p.m.	Despatched on the 24th or 25th day at 4 a.m.	Despatched at	Mails arrive on the 26th day at 7 a.m.	Despatched at	Mails arrive on the 27th day at 11 a.m.	Despatched at	Mails arrive on the 28th day at 10 p.m.	Despatched at	Mails arrive on the 29th day at 10 p.m.	Despatched at
31	01	22 April -	6 April -	3 April -	23 March -	Day	16 March -	Day	13 March -	Day	7 April -	Day	26 Mar -	Day
31	01	22 May -	6 May -	3 May -	27 April -	1	16 April -	1	11 April -	1	7 May -	1	23 April -	1
32	02	22 June -	6 June -	3 June -	28 May -	1	15 May -	1	11 May -	1	7 June -	1	24 May -	1
31	02	23 July -	7 July -	4 July -	28 June -	1	15 June -	1	11 June -	1	7 July -	1	23 June -	1
32	02	22 Aug -	6 August -	3 Aug -	28 July -	1	15 July -	1	11 July -	1	7 Aug -	1	24 July -	1
32	02	22 Sept -	6 September -	3 Sept -	28 Aug -	1	15 Aug -	1	11 Aug -	1	7 Sept -	1	23 Aug -	1
31	01	21 Oct -	5 October -	2 Oct -	26 Sept -	1	14 Sept -	1	10 Sept -	1	6 Sept -	1	22 Sept -	1
30	01	21 Nov -	5 November -	2 Nov -	27 Oct -	1	14 Oct -	1	10 Oct -	1	6 Oct -	1	22 Oct -	1
30	01	22 Dec -	6 December -	3 Dec -	27 Nov -	1	15 Nov -	1	11 Nov -	1	7 Nov -	1	23 Nov -	1
31	01	21 Jan -	5 January -	2 Jan -	27 Dec -	1	15 Dec -	1	11 Dec -	1	7 Dec -	1	23 Dec -	1
31	01	20 Feb -	4 February -	1 Feb -	26 Jan -	1	14 Jan -	1	10 Jan -	1	6 Jan -	1	22 Jan -	1
31	01	22 March -	6 March -	3 March -	26 Feb -	1	13 Feb -	1	9 Feb -	1	5 Feb -	1	21 Feb -	1

8 CORRESPONDENCE · STEAM COMMUNICATION · SUEZ and BOMBAY, &c.

Deducing from past experience the relation between the Cost of maintaining the Vessels and the Ret

In 1847, according to Parliamentary Returns		LINES ESTABLISHED AND I		
Cost of Her Majesty's Mail Packets at Malta conveying Mails : 48,000 miles between Marseilles, Malta and Corfu	£ 44,762	Lines established by Peninsular and Oriental Company	Date of Departure from England, and of Mails from London.	
Contract with Peninsular and Oriental Company for Mails . 2,919,000 miles, Peninsular, Malta and Alexandria	64,325	To Peninsular and Mediterranean (to be continued).	7th, 17th and 27th of each Month, <i>via</i> Southampton. } VIGO, OPORTO, LISBON, CADIZ and GIBRALTAR	
2,719,000 miles, averaging 74 1/2 a mile, or an Annual Expenditure of 64,368	100,277	Malta Lines, established and maintained by Her Majesty's Packets to Alexandria.	20th each Month, <i>via</i> Southampton. } GIBRALTAR, MALTA and ALEXANDRIA	
Return from Postage 4 1/2 a mile, or an Annual Receipt of 64,368	64,368	Established by Peninsular and Oriental Company to Constantinople (to be continued).	24th each Month, <i>via</i> Marseilles. } To MALTA, by H. M. Packets	
Excess of Cost over Postage 3 3/8 a mile, or loss of Post Office Revenue	£ 45,715		GOVERNMENT LINE FOR MAILS	
Proposed Arrangement and Extension in 1849		Proposed New Line to Mediterranean, and in Adriatic, to be established under separate Contractors or competing Company.	4th each Month, <i>via</i> Marseilles. } To MALTA and ALEXANDRIA, by H. M. Packets	
52,000 miles, Her Majesty's Packets, Marseilles and Alexandria, at 6s. a mile, or 247,000 miles, Peninsular and Oriental Company, Peninsular, Mediterranean and Black Sea, at 2s. a mile, on established profitable Lines	£ 15,000		30th each Month, <i>via</i> Southampton. } GIBRALTAR and MALTA, by established Line	
110,000 other Contracts, Mediterranean and Adriatic, at 6s. a mile, new Line	24,200		Continued from MALTA to CONSTANTINOPLE, SINOPÉ, SAM-SOON and TREBIZOND	
404,000 miles Mail Services, 3 1/2 a mile, or Annual Post Office Expenditure	38,000		PROPOSED NEW LINE TO	
126,000 miles extension of Mail Service must increase the Receipts from Postage beyond this Expenditure, so as to return more Revenue to Post Office.	4,72,800		10th each Month, <i>via</i> Southampton. } GIBRALTAR, MALTA and ALEXANDRIA	
			14th each Month, <i>via</i> Trieste. } TRIESTE to CORFU and ALEXANDRIA	
			MALTA BRANCH to CORFU, continued to GREECE and SYRIA if required	
			PROPOSED GREAT SOUTH EASTERN	
Great South Eastern Line to be established by an association of the colonial and shipping interests in England, with local interests in each Colony. The postage in 1847 amounted to £ 54,960			15th each Month, <i>via</i> Southampton, Liverpool or Plymouth. } <i>Via</i> Sierra Leone to drop Mails to CAPE OF GOOD HOPE, returning <i>via</i> Ascension	
To be established in each Colony under local management			CAPE BRANCH to Eastern Ports, Natal, Madagascar, and MAURITIUS occasionally	
Use of British Mails and Passengers to India, and by overland route to Europe for duplicate Austrian vessels.			MAURITIUS BRANCH <i>via</i> CEYLON to INDIA, to BOURBON and adjacent Ports	

STEAM COMMUNICATION TWLEN
SUEZ AND BOMBAY, &c.

[ADDITIONAL PAPERS connected with the
CORRESPONDENCE respecting the Establish-
ment of STEAM COMMUNICATION between
Suez and Bombay, &c., recently printed (Par-
liamentary Paper, No. 693).]

(*Sir James Hogg.*)

Ordered, by The House of Commons, to be Printed,
9 August 1850.

693.—I.

Under 3 oz

RETURN

To an Address of the House of Lords, dated 5th August 1850,

FOR

COPIES of all CORRESPONDENCE between the TREASURY and any other Department of Her Majesty's Government with the EAST INDIA COMPANY on the Subject of STEAM NAVIGATION with the AUSTRALIAN COLONIES.

Ordered to be printed 4th February 1851

(1.)

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STEAM NAVIGATION WITH THE AUSTRALIAN COLONIES. 5

which will be made to the contractors for the conveyance of the mails in their vessels in this portion of the route.

With respect to the extension of the route to the Australian Colonies, although the communication which it will afford between them and India is a matter of some importance to the latter country, I do not propose that the East India Company should bear any portion of the expense; but the opening of the line between Calcutta and Hong Kong is clearly of so much importance in facilitating the intercourse of that presidency with China, that it appears to me that the East India Company may be fairly expected to bear a portion of the expense of that part of the contract. I forbear, however, from entering further at present into this part of the question, as the principal object of my communication is to ascertain the views of the Court of Directors with regard to the communication with Bombay, the settlement of which point is a necessary preliminary to the consideration of the rest of the scheme.

I have, &c.
(signed) CHARLES WOOD.

No. 4.

The CHAIRMAN and DEPUTY CHAIRMAN of the EAST INDIA COMPANY to the
CHANCELLOR OF THE EXCHEQUER.

No. 4.
The Chairman and
Dep. Chairman
of E. I. Company
to
Sir C. Wood,
30th March 1850.

Sir,

East India House, 30th March 1850.

We have had the honour to receive, and have laid before the Court of Directors of the East India Company, your letter, dated the 21st ultimo, stating that the Peninsular and Oriental Steam Navigation Company, in tendering for the conveyance of mails to the Australian Colonies, have made a proposal for a more frequent communication with India and China, and as that proposal involves a transfer to them from the East India Company of the Bombay and Suez line, requesting the Court's opinion upon the subject.

In reply, we are requested by the Court to state to you, that when the establishment of the mail from Calcutta to Suez was under discussion, it was, after much consideration, determined on the part of Her Majesty's Government and the Court of Directors to continue the Bombay and Suez line in the hands of the East India Company, and consequently that arrangement formed an essential part of the plan under which the Court, at the instance of Her Majesty's Government, consented to charge the Indian revenues with a portion of the contract price of the Calcutta and China line. Under this arrangement the East India Company have incurred heavy expenses in building large and powerful steamers, and in forming extensive establishments at Bombay; and the Court are opposed to any change which would interfere with present arrangements.

We are further desired to observe, that previously to the Court's entertaining any proposal for the East India Company's abandonment of the Bombay and Suez line, they are anxious to know from you the views of Her Majesty's Government regarding Aden, which is maintained at a heavy annual cost to the revenues of India, independently of the large sum already expended in fortifications. This expense the Court, whilst performing the duty of keeping up the communication and carrying the mails between Bombay and Suez, have felt themselves justified in incurring, not only because of the necessity of the station for the purposes of that communication, but also upon the ground of the great advantages resulting to their limited but necessary naval force from that regular routine of duty. Were these advantages to cease, and the Government of India to be deprived of the transport of the mails, the Court would be disposed to consider that they should be simultaneously relieved from the burden of maintaining Aden.

The Court will be prepared to enlarge the facilities already granted for the conveyance of articles for the public on the East India Company's vessels, and they trust that means may be devised consistently with the law for accomplishing that object.

(1.)

B

In

6 CORRESPONDENCE WITH THE EAST INDIA COMPANY ON

In the present stage of this correspondence, the Court abstain from further observation upon the proposal of the Peninsular and Oriental Steam Navigation Company.

We have, &c.
(signed) A. GALLOWAY.
JOHN SHEPHERD.

No. 5.
Sir C. Wood
to
Chairman and
Dep. Chairman
of E. I. Company,
22d April 1850.

* Page 3.

No. 5.

The CHANCELLOR OF THE EXCHEQUER to the CHAIRMAN and DEPUTY
CHAIRMAN of the EAST INDIA COMPANY.

Gentlemen,

Downing Street, 22d April 1850.

I have had the honour of receiving your letter of the 30th ultimo.

I regret to find by it that the Court of Directors of the East India Company entertain objections to the arrangement which was proposed in my letter of the * 21st February last on the subject of the conveyance of the Indian mails

The main objection which is urged in your letter appears to be founded on the desire of the Court to maintain the existing arrangement of conveying the mails between Bombay and Suez in steam packets belonging to the Indian navy.

I am not of course so well able as the Court of Directors to judge of any circumstances peculiar to the Indian service which should modify opinions derived from experience of the course followed in Her Majesty's service, but I may perhaps be permitted to observe that the change from the employment of sailing vessels in the conveyance of mails having commenced when I had an official and special acquaintance with this branch of the business of the Admiralty, I had an opportunity of forming an opinion on such subjects which my present office does not give me.

Now, although it was certainly thought desirable in the first instance that the mails should be conveyed in steam vessels of the royal navy, with the view of forming at the outset an efficient body of engineers, and giving other officers an opportunity of acquiring a practical knowledge of steam navigation, it has been found that after that object was accomplished, and that engineers in considerable numbers were also trained in the merchant steam vessels, there was no longer any advantage in persevering in that system, and, for the reasons to which I referred in my last letter, the employment of contract vessels in the performance of the mail services is now considered to be the most advantageous as a permanent arrangement, and in very few and special cases only are they now performed in Queen's vessels.

It may perhaps be thought that the employment of the line of the Company's packets between Bombay and Suez affords economical means of maintaining and employing, during peace, a force which would be available for general service in time of war; but I may observe upon this point, that, in the event of hostilities, the maintenance of the communication with India by the Red Sea would be an object of still greater importance than it is at present. Vessels employed in that service could not, therefore, be withdrawn from it in order that they might be used as vessels of war; and, so far from a force which would be available for hostile operations being derived from these vessels, it would in all probability be necessary to employ an additional force for their protection in their regular periodical voyages, during which they would obviously be peculiarly exposed to attack from the circumstance of their route and the periods of their arrival and departure being known.

In this view of the case the question would appear to resolve itself into one regarding the most efficient and economical mode of performing the service under ordinary circumstances.

It is perfectly true that, as stated in your letter, the object sought for of establishing a monthly communication with Australia may be at once accomplished by the establishment of a branch packet from Singapore to that colony, but this would entail a clear additional expense on the public without any collateral advantages.

It may be possible also that some of the inconveniences pointed out in my former letter, arising from the break in the line of communication, may admit of alleviation by the increased facilities which you propose to concede on the

part

STEAM NAVIGATION WITH THE AUSTRALIAN COLONIES. 7

part of the East India Company. But the question for present discussion is, whether we should reject an offer, not only for establishing a communication from Singapore to Australia, but for affording extended and more frequent communication with the East, at a cost both to the Home and East India Governments lower than that of the present less complete and efficient service? This the Peninsular and Oriental Steam Company in fact offer to do, and they state, that in order to enable them to attain this object it is essential that the whole line of communication should be placed under their management, for the reasons which I mentioned to you in my former letter.

I stated to you in that letter the advantages offered in their proposal as regards the lines of communication. I wish now to call your particular attention to the question of expense.

The outlay at present incurred for the Post Office service between India and this country by the Red Sea for what I may term, for the sake of distinction, the Bombay line is as follows :

Communication between Suez and Bombay.	
Paid by the Home Government	£50,000
Expense to the Indian Government, estimated in evidence before the Committee on contract packets 50,000 <i>l.</i> to 60,000 <i>l.</i> , say	55,000
	105,000
Conveyance of mails in Queen's packets between Malta and Alexandria, say	10,000
	£115,000

I have omitted all reference to the other line of communication carried on at intervals of a fortnight (which I would distinguish as the Calcutta line), which is not affected by this proposal in any way whatever.

The Peninsular and Oriental Company offer to perform the whole of the extended service in connexion with the Bombay line, described in my former letter, for 105,000*l.* being less probably than the whole cost of the present conveyance between Bombay and Suez alone.

I propose, that, if this offer be accepted, the proportion of the charge to be paid by the East India Company should be 85,000*l.* This sum will include their contribution not only for the Bombay line, but also for the communication to Australia and the second communication to China, comprising in the latter the line from Calcutta to Penang and Singapore, to which, as I understand, great importance is already beginning to be attached in India, and in which this country has clearly no direct interest.

With regard to the claim put forward on the part of the East India Company, that if they accede to the proposal contained in my letter, by which their present expenditure is so considerably reduced, the circumstance would afford grounds on which they should be relieved from the burden of maintaining Aden, I have only to observe that I am at a loss to understand how my proposal to relieve them from a certain portion of the expense now paid by them can constitute a claim against Her Majesty's Government to take upon themselves another charge hitherto borne by the East India Company.

Whatever mode may be adopted for carrying on the mail service between Bombay and Suez, the position of Aden is equally required as a port where the steamers may call, and as a place of refuge and defence, which may be essential to the protection of the line of communication by the Red Sea. Its maintenance is therefore an object not merely to the parties carrying on the mail service, but to the whole public, for whose benefit this communication is kept up.

The interests of India are mainly concerned in this communication; and it certainly does not appear to me that an arrangement which merely affects the mode in which the packet service is performed, and which is proposed for the common benefit of both governments, can alter the grounds on which the East India Company has hitherto been charged with the duty of protecting this important station.

I have, &c.
(signed) CHARLES WOOD.

8 CORRESPONDENCE WITH THE EAST INDIA COMPANY ON

No. 6
The Chairman and
Dep. Chairman
of E. I. Company
to
Sir C. Wood,
6th May 1850.

* Page 6.

No. 6.

The CHAIRMAN and DEPUTY CHAIRMAN of the EAST INDIA COMPANY to the
CHANCELLOR OF THE EXCHEQUER.

Sir, East India House, 6th May 1850.

We have the honour to acknowledge the receipt of your letter, dated the
* 22d ultimo, in reply to the letter which at the desire of the Court of Directors
of the East India Company we addressed to you on the 30th March, regarding
the arrangement proposed in your communication of the 21st February last, on
the subject of the conveyance of the Indian mails.

Having fully reconsidered this subject in connexion with the statements and
remarks contained in your letter now acknowledged, the Court have requested
us to submit to you the following observations.

The Court frankly admit, that their chief anxiety upon the main question
involved in this correspondence arises from the conviction that the continuance
of the Bombay and Suez line in the hands of the East India Company is essen-
tial to the efficiency of the Indian navy. It was this conviction, participated in,
as they believe, by the respective authorities to whom the subject was referred
for consideration, which formed one of the principal grounds of their objection
to the proposition submitted to them in 1843 by the Peninsular and Oriental
Steam Navigation Company for the performance of that service, and which
induced the Court to require, as a preliminary to the consideration of the
measures at that time suggested for the improvement and extension of the steam
communication with India, that the arrangements for the conveyance of the
mails between Bombay and Suez should remain undisturbed. Much had then
been done, and much has since been effected, for the improvement of the Indian
navy and for the efficient performance of that mail service, at an outlay on
account of the enlargement of docks, the formation of a steam factory and
foundry, and the building of steam vessels, of nearly (£1,000,000) a million
sterling, besides the cost of additions to the permanent establishment of officers.
The value of that force to the empire of India has been so frequently mani-
fested and acknowledged, that the Court would merely advert to that point as
now, more than ever, deserving of consideration, with reference to the extension
which has taken place in our line of coast on the north-west; but like any other
force of a similar character its value must depend upon the state of efficiency in
which it is maintained, and hence the great anxiety which the Court feel in the
decision of the present question.

The argument which you have used against the employment of Her Majesty's
ships as packets, although justly applicable to an *extensive* service, such as the
royal navy, appears to the Court to be inapplicable to a service so *restricted* as
that of the Indian navy. By the adoption of your plan the means for regularly
employing several of the largest vessels would be taken away; but it would not
be possible, with due regard to its efficiency, to reduce proportionably the Indian
navy; and even if reduced the constitution of the service would preclude the
Company from discharging their officers except upon terms which might be
acceptable to them, and which would necessarily occasion a very heavy charge
upon the revenues of India on account of pensions and compensation allow-
ances. The Government would therefore be compelled either to continue to
keep up the present amount of force, and thus prevent any diminution of
expense, or to deprive India, in the event of necessity, of the aid of an efficient
navy, which has proved invaluable both in itself and as an auxiliary to the royal
navy.

The Court are quite aware that these reasons cannot be expected to influence
the parties who are seeking to possess themselves of the Bombay and Suez
line; but in addressing you, which they have now the honour to do, as a leading
member of Her Majesty's Government, the Court are satisfied that your
decision will be governed by a comprehensive view of the whole question, and
that you will give due weight to the necessity under which the Government of
India is placed of maintaining a suitable naval force. They do not indeed
expect, nor would they presume to ask, that you will do this at the expense of
the public of England; they are prepared to consent to a revision of the financial
arrangement now existing as regards the Bombay and Suez line in view to the
payment to the East India Company being restricted within the narrowest limits
consistent with what may be just and reasonable, but they confidently submit
that

that simultaneously with this there should be a general revision of the whole of the Indian contracts held by the Peninsular and Oriental Steam Company, which will expire within two years from this time, and that public notice should be given, as soon as may be practicable, inviting offers for the performance of the mail service for a period of seven or ten years. Unless this be done, it appears to the Court that there can be no competition; and a monopoly of the most extensive and objectionable character will be extended and perpetuated, to the probable injury of the public revenue, as well as of the commercial interests both of this country and of India. Indeed, as regards India, it is notoriously already matter of grave complaint, that no opportunity has yet been afforded to the shipping and commercial interests there to participate in these contracts.

We would here beg to request your attention to a letter which has been lately addressed to the Court by parties interested in the Trieste route, and of which we enclose a copy. From that letter you will perceive that injurious consequences are apprehended by others, as well as by the Court, if the Bombay and Suez line be transferred from the hands of the East India Company.

With respect to Aden, the Court must again declare that it was acquired solely in view to the communication between Europe and India; and having carefully reviewed the opinions they have already expressed, they feel confirmed in the justice and propriety of their position, that if the East India Company are to be deprived of all the advantages, direct and indirect, of carrying the mails, the whole of the postage, amounting to a very considerable sum, being received by Her Majesty's Government, an arrangement should be made by which the Company would be relieved from the cost of maintaining that station.

You say, indeed, that you cannot recognize any such consequence as the result of your "proposal to relieve the Company from a certain portion of the expense now paid by them."

But the Court submit that there can be little or no reduction of expense to India from the adoption of your plan; and, with reference to your remarks, "that the interests of India are mainly concerned in this communication," the Court cannot doubt that upon further consideration you will admit that the interests of Great Britain are identical with those of India in this matter.

The Court might urge further reasons of a political nature, as rendering it highly important that the close connexion which at present exists between the Egyptian Government and the governing authority in India, and which has mainly resulted from the part heretofore assigned to the East India Company in carrying on the mail service, should not be endangered by the withdrawal of their establishments from Egypt and their vessels from the Red Sea. But they trust that they have said enough to show that the question now under discussion cannot be determined solely, nor indeed principally, by considerations of a financial character, and that it must be viewed and disposed of as a measure which involves the prosperity and security of the vast possessions committed to the government of the East India Company, and, in that view, as materially affecting the best interests of this country.

We have, &c.
(signed) J. SHEPHERD.
J. W. HOGG.

No. 7.

MEMORIAL of Mr. JOHN WOOD, Superintendent Agent of the Austrian Lloyd's Steam Navigation Company.

To the Honourable the Chairman, Deputy Chairman, and Court of Directors of the East India Company,
The Memorial of the undersigned humbly sheweth,

That your memorialist is the appointed agent of a society at Trieste, trading under the firm or designation of the Austrian Lloyd's Steam Navigation Company.

That in the year 1845 the company represented by your memorialist was induced to put on a fleet of first-class steamers, of great power and speed, to run between Trieste and Alexandria, a service that has been performed with great punctuality as well as comfort to the passengers who have tested the

(1.) C advantages

No. 7, *infra*.

No. 7.
Memorial of
Mr. John Wood,
Superintendent
Agent of the
Austrian Lloyd's
Steam Navigation
Company,
16th April 1850

CORRESPONDENCE RELATIVE TO ESTABLISHMENT OF STEAM COMMUNICATION BETWEEN SUEZ AND BOMBAY, &c.

Paper (D.)

VIEW OF THE PRESENT CONTRACTS FOR THE PUBLIC MAIL SERVICE BY PRIVATE STEAMERS, AND THEIR BEARING ON OTHER SHIPS AND STEAMERS; EXHIBITING A PANORAMA OF THE COMMUNICATIONS TO THE EAST AND WEST INDIA, &c.

OF £ 1,610,000 FOR THE PUBLIC MAIL SERVICE BY PRIVATE STEAMERS, AND THEIR BEARING ON OTHER SHIPS AND STEAMERS; EXHIBITING A PANORAMA OF THE COMMUNICATIONS TO THE EAST AND WEST INDIA, &c.

THE AGGREGATE OF THE MERCHANDISE SHIPPED FROM GREAT BRITAIN BY SHIPPING RETURNS ON THE 1st JANUARY 1847, &c.

AS FOLLOWS:—

Main table with columns: LINE OF COMMUNICATION, NAME OF CONTRACTOR, Annual Contract Payment, Annual Service in Distance, Payment per Mile, Commencement of Contract, Continuance of Contract, Termination by Winding up, and Remarks. Includes sections for HOME MAILES, WESTERN MAILES, EUROPE AND LEVANT MAILES, EAST INDIA MAILES, and AUSTRALIAN AND EASTERN COLONIAL MAILES.

REMARKS ON THE SEPARATE CONTRACTS AND BRANCHES OF SHIPPING TRADE. HOME MAILES BY VESSELS ENGAGED IN THE COASTING TRADE. WESTERN MAILES BETWEEN ENGLAND AND THE WESTERN HEMISPHERE. EASTERN MAILES BETWEEN ENGLAND AND THE EASTERN HEMISPHERE.

CORRESPONDENCE RELATIVE TO ESTABLISHMENT OF STEAM COMMUNICATION BETWEEN SUEZ AND BOMBAY, &c.

TABLE, SHOWING AT ONE VIEW A COMPREHENSIVE SCHEME OF STEAM COMMUNICATION THROUGHOUT THE EASTERN HEMISPHERE,

and the actual Receipts on Passengers and Traffic, as well as between the Contract Payment and the actual Receipts. Amount of Public Payment necessary for the efficient performance of the Mail Service, and the extension of Steam Communication for the benefit of British Shipping and Colonies.

USED IN MEDITERRANEAN SEA AND ATLANTIC OCEAN.

No.	Vessels required.	Estimated Mileage.		P. R. 1847. Mileage Rate of		Estimated Mileage Payment by Government necessary for efficiency.	Proposed Mode of Payment.
		Cost of Vessels.	Returns of Traffic.	Contract Payment.	Post-office Receipts.		
50	5	600	9	9	4.73	3.61	Post Office to pay the Contractor £6,040.
300	3	1,500	18	24	7.91*	5.477*	Post Office to pay the Contractor £7,200.
500	-	-	14	1.02*	-	5.477*	Post Office to repay to Admiralty £4,680.

INES ESTABLISHED AND PROPOSED IN INDIAN SEAS AND SOUTHERN OCEAN.

Annual Mail Service.	Vessels required.		Estimated Mileage.		P. R. 1847. Mileage Rate of		Estimated Mileage Payment by Government necessary for efficiency.	Proposed Mode of Payment and the Annual Amount.
	No.	Average Tons.	Cost of Vessels.	Returns of Traffic.	Contract Payment.	Post Office Receipts.		
Communication between India and England	5	156	22	-	20.00*	6.02*	6.00	First established by Indian party of East Indian Steam Company, to be now re-established with five vessels at Calcutta.
Communication between India and China	5	156	22	-	20.00*	6.02*	6.00	Proposed arrangement and extension in India and China Seas for 1850-51. 12,000 miles by Indian Navy between Bombay and Suez (and Agent in Egypt) 115,000 miles by an East Indian Steam Company between Calcutta, Madras and Suez 122,000 miles by ditto between Singapore, Ceylon, Aden and Suez 58,000 miles by China Colonial Branch, Singapore to Hong Kong and Shanghai 387,000 miles averaging 9 miles, cost to England and India Indian revenue expended for mails in Indian Seas

PUBLIC DESPATCHES BY ARMED PACKETS OF ROYAL NAVY.

400	-	-	14	5	-	5.477*	6	Post Office to repay to Admiralty £10,920.
1,000	3	900	14	20	4.31*	5.477*	-	Post Office to pay to Admiralty £5,200.
1,000	-	-	-	-	-	-	2	ditto - £2,000.
1,000	-	-	-	-	-	-	2	ditto - £1,200.

INDIAN GOVERNMENT LINE for MAILS and PUBLIC DESPATCHES by ARMED VESSELS of INDIAN NAVY.

72,000	-	-	29.33*	7.31*	-	6.02	22.02	Money voted by Parliament to East India Company, £3,000. Balance expended by India for Navy, £35,000. In Egypt, £15,033.*
If necessary, a Government or Passenger Line to be established through the Persian Gulf into Syria.								

ESTABLISHED BY SEPARATE CONTRACTORS IN 1849.

300	3	1,200	18	12	-	-	6	Post Office to pay the Contractor £21,600.
300	2	600	14	-	-	-	6	Post Office to pay the Contractor £6,70.
1,000	-	-	-	-	-	-	6	ditto - £2,70.

INDIAN LINE BETWEEN SUEZ AND SINGAPORE, INSTEAD OF CEYLON AND CHINA, AS AT PRESENT.

122,000	5	1,020	22	-	12	-	6	Post Office to pay the East India Company £36,000.
58,000	3	600	12	4	12	6 or	8	Post Office to pay 4 - £11,720 Colonial Grant, 4 - 11,720
250	2	250	-	-	-	-	-	Colonial Grant.

LINE TO BE ESTABLISHED THROUGH PARTIES CONNECTED WITH THE CAPE, MALACCA, AUSTRALIAN AND NEW SOUTH WALES COLONIES, BY STEAMERS PROPELLED BY SCREW.

210,000	7	600	8	4	-	30.5*	4	Post Office to pay Contractor, through Colonial Office, £40,000.
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To be a continuation of the Great South Eastern Line from England monthly, with mails, emigrants and manufactures; returning with passengers and produce from the several Colonies, aided by the amount received for postage.

FOUR COLONIAL BRANCHES OF GREAT SOUTH EASTERN LINE UNDER EXECUTIVE MANAGEMENT OF LOCAL COMMITTEE.

110,000	3	300	5	3	-	-	2.18	Voted by Colonial Government Grant British Government £6,000*
60,000	2	300	5	3	-	-	2	Voted by South Australia, £3,000* Grant British Government 3,000

Local Branch to Singapore with duplicate mails to England, and communication with India, Java and China.

Local Branch to New Zealand, with mails, emigrants and manufactures, and inter-colonial traffic, returning via Sydney.

12,000 miles by Indian Navy between Bombay and Suez (and Agent in Egypt)	115,000 miles by an East Indian Steam Company between Calcutta, Madras and Suez	122,000 miles by ditto between Singapore, Ceylon, Aden and Suez	58,000 miles by China Colonial Branch, Singapore to Hong Kong and Shanghai	387,000 miles averaging 9 miles, cost to England and India	Indian revenue expended for mails in Indian Seas	English revenue expended for mails in Indian Seas	English revenue received by Post Office	Excess of Cost over Postage or loss of Post Office Revenue
£85,000	69,000	73,300	23,440	£120,500	£120,500	£120,500	£120,500	

* All averages marked thus, are t

return or facts established.

10 CORRESPONDENCE WITH THE EAST INDIA COMPANY ON

advantages which those vessels have afforded ; and as the line of railway communication between Ostend and Trieste is complete, with the exception of the distance (sixty miles) between Laibach and Trieste, which it is confidently believed will be finished in all next year, both mails and passengers might thus be conveyed at a cheap cost, and with certainty of despatch, in four days to Trieste, and to Alexandria in nine days, from England.

Your memorialist, however, on behalf of the company he represents, finds the course of his business impeded by the conduct of the Peninsular and Oriental Company, who, as far as the voyage between Suez and Madras and Calcutta is concerned, charge for passengers as follows :

In the months of May, June, and July,

For a gentleman, Calcutta to Suez	- - - -	£102	0	0
Calcutta to Southampton	- - - -	93	0	0
For the other months the tariff is somewhat altered ; viz.				
Calcutta to Suez	- - - -	£102	0	0
Ditto to Southampton	- - - -	115	0	0

It is the same with the fares from Suez to Madras, Ceylon, Penang, Singapore, and Hong Kong, and vice versa ; and when your honourable Court is reminded that Suez is about midway by sea between Southampton and Calcutta, the inequality of this scale will be the more apparent. That is, to prevent your servants in Bengal and Madras from coming through continental Europe, and to force them round by Gibraltar and the Bay of Biscay to Southampton, the Peninsular and Oriental Company charges them during some months of the year *more for a passage to Suez* than for the entire voyage from India to England. Whether this is to be perpetuated now depends on the Court of Directors of the East India Company ; and but for the communication between Suez and Bombay being carried on by the steamers of your honourable Court, the same system would no doubt be practised, a system which your memorialist believes is calculated to injure the service, both civil and military, of your honourable Company ; your memorialist therefore prays, that in any new contract entered into for the conveyance of the mails between Suez and the various possessions in the East, it may be a stipulation that a pro rata amount of passage money shall alone be charged between the various ports of India and Suez.

Your memorialist would further respectfully suggest the impolicy of entrusting to a single steam navigation company a steam monopoly of the Indian seas. Were the boats of your honourable Court withdrawn from the line between Suez and Bombay, competition would cease, and the Anglo-Indian community be henceforward solely dependent for steam transit upon the Peninsular and Oriental Company. Such a decision could not but be detrimental to the best interest of Hindostan. The solution of the present question, your memorialist would again respectfully observe, has a prospective as well as a present bearing on the interest of this great empire ; for, however specious the saving may be made to appear which would accrue by substituting the boats of the Peninsular and Oriental Company for those of your honourable Court on the line between Suez and Bombay, it would be dearly purchased, since it can only be brought about by stifling all steam competition in the East for years to come. Now, your memorialist is in a position to state, that if the field is not previously sealed by monopoly, there will, at the expiration of the present contracts for the Anglo-Indian mail, be established a line of English steamers between Suez and Calcutta in connexion with Trieste and the Austrian Lloyd's. Whether this, or what is now offered by the Peninsular and Oriental Company, would be most advantageous to our Indian empire, your honourable Court can judge. Trusting that your honourable Court will urge upon Her Majesty's Government the propriety of deciding this question purely on its own merits, without mixing it up with "steam to Australia," a question which, both geographically and politically, is obviously more connected with the preservation of British interests in the western than in the eastern hemisphere. And your memorialist will, as in duty bound, ever pray.

(signed) JOHN WOOD,
Superintendent Agent,

Austrian Lloyd's Steam Navigation Company.

Austrian Lloyd's Agency,
127, Leadenhall Street, 16th April 1850.

STEAM NAVIGATION WITH THE AUSTRALIAN COLONIES. 11

No. 8.

The CHANCELLOR OF THE EXCHEQUER to the CHAIRMAN and DEPUTY
CHAIRMAN of the EAST INDIA COMPANY.

Gentlemen, Downing Street, 17th May 1850.

I have had the honour of receiving your letter of the 6th instant, in reply to mine of the † 22d ultimo, on the subject of the arrangements for the conveyance of the Indian mails.

I must, in the first place, beg you will assure the Court of Directors of the East India Company, that I am by no means disposed to underrate the importance of maintaining the efficiency of the Indian navy. The value of that force has been frequently manifested, and never more clearly than in the service rendered by it so recently as on the occasion of the late China war. Neither am I insensible to the outlay which has been imposed on the Company's finances in maintaining such an establishment as may be essential for keeping this branch of their service in a state to render it available for any emergencies that may arise.

But I must confess that it does not appear to me that the performance of the mail service between Bombay and Suez really contributes to render the Indian navy available in times when a demand for its services may occur. For the reasons stated in my former letter, it seems to me to be clear that whatever call there may be for the services of the Indian navy elsewhere, it will be as needful, indeed more needful, at such critical periods, than in those of perfect tranquillity, to keep in the most efficient state the line of vessels performing the packet service, and therefore the maintenance and cost of this line cannot but be considered as altogether beyond and independent of that of the Indian navy, for any such purposes as are required from a public and national marine force.

I must observe that if the argument which I advanced against the employment of Her Majesty's vessels as packets is admitted to be applicable to the royal navy, I do not see upon what ground it can be held to have no force when applied to a *restricted* service, like that of the East India Company, unless it can be contended that a small force is better enabled than a large one to employ permanently a portion of the vessels of which it consists on a detached service.

With regard to your observations respecting the charge which would be entailed on the revenues of India for pensions and compensation allowances in the event of a reduction of the Indian navy, I beg leave to remark that, as some time must elapse before the arrangements for establishing a new line of packets can be completed, opportunity would be afforded to the Company of effecting gradually such reductions as may be desirable; but whatever pensions and allowances may be granted to discharged officers, they would form only a temporary charge on the revenues, and must be less in amount than the present permanent charge for the remuneration of officers in active service.

With reference to that part of your letter in which you state the readiness of the East India Company to consent to a revision of the present financial arrangement as regards the Bombay and Suez line, with the view of relieving this country from some portion of the expense now incurred by it, I have to assure you that I have no wish to impose upon the East India Company terms which are unjust or unreasonable towards them. On the contrary, I considered that the arrangement proposed in my former letters was calculated to relieve them, as well as this country, from unnecessary expenditure, and at the same time to extend the communications between this country and different parts of the East. I cannot help thinking that, on a further consideration of my communications on this subject, you will be satisfied that throughout the whole correspondence I have treated the interests of both Governments as identical, and that no advantage in the reduction of expense or in facilities of communication was sought for on behalf of this country which would not be equally participated in by the East India Company.

From the remarks in your letter regarding the expediency of postponing any arrangement for the present, with the view of inviting competition for the whole of the Indian contracts at the expiration of those at present held by the Peninsular and Oriental Steam Company, it would seem that the East India Company are apprehensive that the conclusion of the arrangement which I proposed would have the effect of establishing a monopoly of an extensive and

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No. 8.
Sir C. Wood
to
Chairman and
Dep. Chairman
of E. I. Company,
17th May 1850.

* Page 8.

† Page 6.

12 CORRESPONDENCE WITH THE EAST INDIA COMPANY ON

objectionable character. I may perhaps be allowed to observe on this point, that, although it may be expedient sometimes to resort to competition with the view of imposing a check upon companies who may desire to enter into private contracts of this nature, my own experience of the subject has not led me to conclude that the most satisfactory arrangements for the public have been the result of open tender; and I think that, on the contrary, much advantage is obtained by the Government reserving to itself the opportunity of dealing with each particular service in such a manner as a careful consideration of circumstances may at the time point out. The arrangement now under consideration offers many advantages in itself, and is not connected in any way with the service now performed on the Calcutta line; and the acceptance of the offer of the Peninsular and Oriental Steam Company, so far from granting them a monopoly, will leave the Government at liberty to pursue any course which it may think proper with respect to the Calcutta line on the expiration of the existing contract, two years hence, either by renewing an engagement with the Peninsular and Oriental Steam Company on such terms as a careful investigation of their accounts may warrant, or by throwing the contract open to competition.

The immediate object which gave rise to the correspondence is the contemplated arrangement for opening a line from Singapore to Sydney; and it must be apparent to the Court of Directors that it is of importance to a Company undertaking that service that they should perform also the service from hence to Singapore, so that the service from one end of the line to the other may be in their own hands, for the obvious purpose of facilitating the arrangements of various kinds for passengers and goods. The concession of this point would enable the Company to undertake the whole line at a lower rate than the proportionate rate for any part of it by itself, and at the same time to combine with it other services, not originally contemplated, in which the East India Company is mainly interested. This latter circumstance appears to have escaped your attention when you referred to the question of expense.

You have put an interpretation on my observations with respect to the fortress of Aden which they were not intended to convey. I did not mean to imply that this country was not equally interested with the East India Company in the arrangements for the postal communications with India; but it appeared to me that the maintenance of a point of call and support was a duty of Government, and that in that light the duty of maintaining Aden was one that attached to the East India Company rather than to Her Majesty's Government. The positions held by Her Majesty in the Mediterranean are of an analogous character; and it might be held with equal justice that the East India Company should contribute towards the expense of maintaining a packet station at Malta, which is equally essential to the communication with India, as that Her Majesty's Government should incur the charge of the station at Aden.

I must, in conclusion, state that I entertain, myself, no doubt of its being for the advantage both of this country and of India that the proposed plan should be carried into effect as soon as possible. I am of course aware that the present engagement between the Government and the East India Company for the conveyance of the mails from Suez to Bombay is in force for a further period of two years, and that it cannot be disturbed without the consent of the East India Company; but I earnestly hope that they will not, by withholding their consent from the proposal now made, oppose an obstacle to the conclusion of an arrangement most conducive, as it appears to me, to the interests of this country and of India, as well as of some of our most rising colonies, and by which the important commercial intercourse with China and Australia, both from this country and from India, will be so signally promoted.

I have, &c.
(signed) CHARLES WOOD.

No. 9.
The Chairman and
Dep. Chairman
of E. I. Company
to
Sir C. Wood,
7th June 1850.

• Page 11.

No. 9.
The CHAIRMAN and DEPUTY CHAIRMAN of the EAST INDIA COMPANY to the
CHANCELLOR OF THE EXCHEQUER.

Sir,
East India House, 7th June 1850.
We have the honour to acknowledge the receipt of your letter, dated the
• 17th ultimo, in which, after noticing some of the observations contained in our
former

former communication on the subject of the conveyance of the Indian mails, you express your earnest hope that the Court of Directors will not, by withholding their consent from the proposed plan for the conveyance of the mails on the Bombay and Suez line, "oppose an obstacle to the conclusion of an arrangement most conducive," as it appears to you, "to the interests of this country and of India, as well as of some of our most rising colonies, and by which the important commercial intercourse with China and Australia, both from this country and from India, will be signally promoted."

In reply, we are requested by the Court to state, that with every desire to co-operate with Her Majesty's Government in the furtherance of objects deemed important for the public interests, they are unable to discover any ground upon which they would be justified in consenting to relinquish to the Peninsular and Oriental Steam Navigation Company the Bombay and Suez line. Indeed, the more they reflect upon the subject, the stronger is the Court's conviction, that as regards those interests more immediately committed to their charge very injurious consequences would result from the withdrawal of the vessels of the Indian navy from this sphere of duty, in order that the service may be performed by those of the Peninsular and Oriental Steam Navigation Company.

The object which you are seeking to accomplish, and in which the measure under discussion originated, is steam communication between Singapore and Australia. Of the importance of that object the Court are duly sensible, and they are prepared to give suitable aid towards it, upon the plan of adding a branch line from Singapore, which, if Her Majesty's Government think fit, might be arranged with the Peninsular and Oriental Steam Navigation Company, who are already under contract for the line to Singapore. By following this simple plan the Court are satisfied that your wishes and those of the public would be speedily effected, whilst by mixing it up with the Bombay and Suez line (with which it seems to the Court to have no connexion) the question becomes unnecessarily complicated and embarrassed, and great and indefinite delay must be anticipated.

The main, indeed, as it appears to the Court, the only argument adduced in favour of the course proposed, is that of presumed economy; but the Court have shown that as respects India the change would not lead to any proportionate reduction of charge, whilst it would be carried out at the expense of the efficiency of the Indian navy, and, as respects England, the Court have expressed their readiness to submit to a revision of the sum paid to the East India Company on this account upon fair and reasonable principles.

We are aware that two years hence it will be competent to Her Majesty's Government to revise the subsisting arrangement; but we are confident, a feeling in which the Court fully participate, that where no palpable public advantage can be attained, you will, when that period expires, pause before you take a step, calculated, as we think, to impair the efficiency of an important arm of the Indian service.

Supposing that it be determined to make a change as respects the Bombay and Suez line, you intimate a desire to effect it without waiting the two years. The Court have reason to believe that the Peninsular and Oriental Steam Company would not be able to establish a new line of packets in a shorter period than eighteen months; but the Court continue to be very strongly of opinion that it should be understood and be publicly notified that the whole of the contracts of which the service in question was a part will undergo early revision. With every deference to your experience, the Court must still contend that the very expensive contracts with the Peninsular and Oriental Steam Navigation Company, for lines on which there is a large and rapidly increasing traffic, should be submitted to a rigid test, in sufficient time before the expiration of those contracts, to ensure a well devised system of competition, should such a course be deemed expedient.

With respect to Aden, the Court apprehend that you have overlooked the important fact that it was obtained and fortified solely as a place of call for the vessels conveying the mails, and that no just analogy can be held to exist between such a station and places which, like Malta and Gibraltar, are maintained as political stations of first-rate character and importance.

14 CORRESPONDENCE WITH THE EAST INDIA COMPANY ON

In reference to your observation that "other services not originally contemplated, in which the East India Company is mainly interested," have escaped our attention, we would beg to state that the Court are not aware of any services of importance to the Indian empire that may not be performed as cheaply and more promptly by independent arrangements than by an interference with the present mode of conducting the mail service between Suez and Bombay, which line of communication forms no legitimate portion of the direct route from Europe to Singapore.

We have, &c.
(signed) JOHN SHEPHERD.
J. W. HOGG.

No. 10.
Sir C. Wood
to
Chairman and
Dep. Chairman
of E. I. Company,
22d June 1850.

• Page 12.

No. 10.

The CHANCELLOR OF THE EXCHEQUER to the CHAIRMAN and DEPUTY
CHAIRMAN of the EAST INDIA COMPANY.

Gentlemen,

Downing Street, 22d June 1850.

I have had the honour of receiving your letter of the 7th instant, and I learn with great regret that the Court of Directors do not think it advisable to concur in the arrangement which I had proposed on the subject of the conveyance of the mails on the Bombay and Suez line in connexion with an extended communication to Australia and China.

I have not heard anything in the course of our correspondence which induces me to differ from the conclusions at which I had arrived on this subject.

By the existing arrangements (independently of the conveyance of the mails through France to Malta, which will remain undisturbed by my proposal,) mails are conveyed from Malta to Bombay, where the packet service stops, at an expense of not less than 110,000*l.* to this country and India.

According to my proposal, this service would continue to be performed; and there would be added thereto the following services:—

First.—The re-establishment of what was called the heavy mail from Southampton:

Second.—The conveyance of English mails forward from Bombay to Singapore and China, together with a branch line of packets from Calcutta to Singapore, thus establishing a direct communication from Calcutta to China:

Third.—And the establishment of a line of packets from Singapore, conveying the English and Indian mails to the Australian Colonies.

For the whole of this service there would be paid 105,000*l.*, so that it may fairly be said that the whole of the additional service which I have stated above would be performed without any additional cost to this country and India taken together.

Throughout the whole of my consideration of this question I have in truth treated the two countries as having but one common interest, and in the proposed division of the expense I have not been unmindful of the interests of India. At present, out of the 110,000*l.*, this country pays 60,000*l.*, and the cost to the Indian Government is not less than 50,000*l.* I proposed to divide the sum of 105,000*l.* in the proportions of 70,000*l.* to be paid by this country, and 35,000*l.* by the Indian Government; so that while this country paid somewhat more for the additional service, the advantages of it were obtained for India, with a reduction in her expenditure to the extent of at least 15,000*l.* per annum.

I cannot but think, looking to the magnitude of the additional service, and the reduction of expenditure to the Indian Government, that the Court of Directors have taken a mistaken view of their own interests in declining to accede to the proposed scheme, and I very much regret that their dissent prevents me from obtaining, without any additional expense, what appears to me so great an advantage to the postal communications of the empire.

I should have been disposed to offer a few remarks on some of the observations in your letter, but as I cannot add anything to what I have already said on this subject, I am afraid that no advantage can arise from continuing our correspondence upon it.

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STEAM NAVIGATION WITH THE AUSTRALIAN COLONIES. 15

It is obvious that as the avowed motive of the Peninsular and Oriental Steam Navigation Company for making an offer on the very advantageous terms which I have communicated to you was the benefits which, in their opinion, would result to them from the establishment of the whole of the proposed line of communication, it is obvious that we cannot expect terms so favourable in respect of the establishment of only a portion of that line. Indeed it is equally obvious that whilst the present arrangement is in force at a cost larger than that of the proposed service, whatever sum we may have to pay for the smallest increase to our present communications must be a clear addition to the expense which we now incur.

Of this additional expense the Court of Directors express their willingness to bear a fair share; and I may have to communicate with you further, when I have considered the possibility of effecting any arrangements for the performance of a portion of the services embraced in the proposal which has been the subject of our correspondence.

I have, &c.
(signed) CHARLES WOOD.

No. 11.

The CHAIRMAN and DEPUTY CHAIRMAN of the EAST INDIA COMPANY to the
CHANCELLOR of the EXCHEQUER.

Sir, East India House, 17th July 1850.

We have had the honour to receive and to lay before the Court of Directors of the East India Company your letter, dated the 22d ultimo.*

The Court would have abstained from troubling you with any observations in reply, had it not appeared to them to be necessary in order to prevent misapprehension.

You state that the Peninsular and Oriental Steam Navigation Company have offered to undertake the Bombay and Suez line, to convey mails from Bombay to Singapore and China, and with a branch line of packets from Calcutta to Singapore, and to establish a line from Singapore to Australia, for the sum of 105,000*l.* per annum; but we would beg to remind you, that this proposal is made by a company enjoying the benefit of a contract under which it receives jointly from Her Majesty's Government and the East India Company the sum of 160,000*l.* per annum for the Calcutta and Suez line, with a branch to China, a line of large and increasing traffic, producing profits which would soon render it independent of any contract. It is no matter of surprise to the Court that, pending these engagements, the Peninsular and Oriental Steam Navigation Company should offer to perform the additional services on the terms stated, whereby they would, in effect, secure to themselves a continuance of such engagements, and a monopoly of all steam communication to the eastward of Suez, a monopoly which might press with severity not only upon passengers but commercial traffic. The existing contracts, however, expire in less than two years. The Court hope that a revision of them will take place in sufficient time to allow of competition, should such a course be deemed expedient. It may then be seen whether, independently of the present lucrative contract, the separate services alluded to in your letter could be performed on the terms submitted by the Peninsular and Oriental Steam Navigation Company; but it must be apparent that the contemplated revision would be greatly embarrassed were such an arrangement now made as that proposed by you.

As India now pays 100,000*l.* per annum, receiving back from Her Majesty's Government 50,000*l.*, and would have to pay 35,000*l.* without aid from Government, you observe that the result would be a saving to India of at least 15,000*l.* per annum. To accomplish this, there must be a reduction in the charges of the Indian navy to the extent of at least 100,000*l.* per annum; but as there can be no such reduction consistently with the efficiency of that naval force, which is so essential to the Indian empire, it is obvious that the financial effect of the proposed change would be a loss or additional burden to India of 85,000*l.* per annum instead of a saving, as assumed in your letter.

We beg to add that the Court will be ready to consider any proposal which you may wish to make to them for the charge to India of a fair proportion of the cost of establishing a communication by steam with Australia, the object

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No. 11.
The Chairman and
Dep. Chairman
of E. I. Company
to
Sir C. Wood,
17th July 1850.

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which has given rise to the present correspondence, and in the accomplishment of which the Court have always felt a deep interest.

We have, &c.
(signed) JOHN SHEPHERD.
J. W. HOGG.

No. 12.
Sir C. Wood
to
Chairman and
Dep. Chairman
of E. I. Company,
18th July 1850.

No. 12.

The CHANCELLOR OF THE EXCHEQUER to the CHAIRMAN and DEPUTY
CHAIRMAN of the EAST INDIA COMPANY.

Gentlemen,

Downing Street, 18th July 1850.

I have had the honour of receiving your letter of the 17th instant.

I had thought that our correspondence on the subject of the proposal made by the Peninsular and Oriental Steam Navigation Company with respect to the conveyance of the Indian, China, and Australian mails had been closed; but as you have thought it desirable to address me again for the purpose, as you state, of removing misapprehension, I am under the necessity of observing that the remarks conveyed in your letter appear to me to be themselves founded on misapprehension of the effect of the proposed arrangement.

Your letter assumes that the acceptance of the proposal would secure to the Peninsular and Oriental Steam Navigation Company a continuance of existing arrangements, and would prevent a fair consideration of any revision of the contract which they now hold for the Calcutta and Suez line.

I must beg leave to remind you that this point has already been adverted to in our correspondence, and that in my letter to you of the 17th May I stated that "the acceptance of the offer of the Peninsular and Oriental Company, so far from granting them a monopoly, will leave the Government at liberty to pursue any course they may think proper with respect to the Calcutta line on the expiration of the existing contract, two years hence, either by renewing an engagement with the Peninsular and Oriental Company on such terms as a careful investigation of their accounts may warrant, or by throwing the contract open to competition."

I confess that I do not understand the statement that a loss of 85,000*l.* per annum would result to the East India Company from the conveyance of the mails between Suez and Bombay by contract vessels.

I have already so fully entered into the question of the employment of the Indian navy in the packet service, and what effect this must necessarily have upon its efficiency in case of any demand for its services in a period of hostilities, that I need make no further observations on that point. I will merely remark, that so far as the packet service is concerned, the portion of the Indian navy at present employed in it may be at once put down on the discontinuance of the present arrangement for the conveyance of the mails between Bombay and Suez. The lowest sum at which the cost of the vessels employed in this service by the East India Company can be estimated being 100,000*l.*, a reduction to that extent in the cost of the Indian navy might be at once effected. Of course, if it should be necessary to employ that portion of the force upon other services the same expense of maintenance would be incurred; but in that case the expense would be wholly irrespective of the packet service, and must be justified by the circumstances which called for it.

Of the above sum of 100,000*l.*, the sum of 50,000*l.* is paid by this country and 50,000*l.* by the East India Company. The charge of the enlarged packet service to be borne by the East India Company, as I proposed it in my former letter, would have been 35,000*l.*, and the difference therefore between 50,000*l.* and 35,000*l.*, viz. 15,000*l.*, is the least sum which would be saved to them by my proposal. If, indeed, as seems probable from the evidence given before the Committee of the House of Commons, the expense at present incurred by the Company is more than 50,000*l.*, the saving to them by the proposed arrangement would of course be greater than the sum which I have named.

I have, &c.
(signed) CHARLES WOOD

STEAM NAVIGATION WITH THE AUSTRALIAN COLONIES. 17

No. 13.

H. MERIVALE Esq. to Captain HAMILTON.

Sir,

Downing Street, 20th December 1850.

I am directed by Earl Grey to forward the Copy of an address of the House of Lords for "Copies of all correspondence between the Treasury and any other department of Her Majesty's Government with the East India Company on the subject of Steam Navigation with the Australian Colonies;" and I am to request that, in laying the same before the Lords of the Admiralty, you will move their Lordships to give the necessary directions for furnishing this department, at the earliest practicable period, with the means of presenting the information called for by the address.

I have, &c.
(signed) H. MERIVALE.

No. 13.
H. Merivale, Esq.
to
Captain Hamilton.
20th Dec. 1850.

No. 14.

Captain HAMILTON to H. MERIVALE Esq.

Sir,

Admiralty, 27th December 1850.

In return to your letter of the 20th instant, forwarding by direction of Earl Grey the copy of an address of the House of Lords for "Copies of all correspondence between the Treasury and any other department of Her Majesty's Government with the East India Company on the subject of Steam Navigation with the Australian Colonies," I am commanded by my Lords Commissioners of the Admiralty to acquaint you, for the information of his Lordship, that the Board of Admiralty has had no correspondence with the East India Company upon this subject.

I have, &c.
(signed) W. A. HAMILTON.

No. 14.
Captain Hamilton
to
H. Merivale, Esq.,
27th Dec. 1850.

RETURN

To an Address of the House of Lords,
dated 5th August 1850,

FOR

COPIES of all CORRESPONDENCE between the
TREASURY and any other Department of Her
Majesty's Government with the EAST-INDIA
COMPANY on the Subject of STEAM NAVIGA-
TION with the AUSTRALIAN COLONIES.

Ordered to be printed 4th February 1851.

MAILS (EAST INDIA).

RETURN to an Order of the Honourable The House of Commons,
dated 18 February 1851;—for,

A STATEMENT, "showing the TOTAL COST of transmitting the MAILS and DESPATCHES between *Bombay* and *Suez*, by the *East India Company*, and towards which the Sum of £. 50,000 per Annum has been granted out of the Revenue of the United Kingdom, during the Years 1848 and 1849, or to the latest period that the Accounts can be made up, including Wages, Victualling, and Allowances of Officers, Crews, and Engineers, Coals, Engine Stores, and Sea Stores, and an Allowance of Ten per Cent. for Repairs, Five per Cent. for Depreciation, Six per Cent. for Sea Risk, in lieu of Premium of Insurance, and Four per Cent. Interest per Annum on the total Cost of the Steam Vessels employed:—The Net Amount of Passage Money received by the East India Company, deducting Victualling and Allowance to the Commanders or other Persons for the same Periods: The same as to the Cost of transmitting the Bi-monthly Mails between *Bombay* and *Aden*:—Also, the Names, Tonnage, and Horse-power of the Steam Vessels employed; and the Dates of their Departure from and Arrival at *Bombay* and *Suez*, and *Bombay* and *Aden* respectively, on each Voyage, during the same Period (in continuation of Parliamentary Paper, No. 746, of Session 1848)."

East India House, }
10 March 1851. }

JAMES C. MELVILL,
Secretary.

(Mr. Divett.)

Ordered, by The House of Commons, to be Printed,
11 March 1851.

2 STATEMENT OF THE COST OF TRANSMITTING THE MAILS AND

STATEMENT, showing the TOTAL COST of transmitting the MAILS and DESPATCHES between Bombay and Suez by the East India Company, and towards which the sum of £. 50,000 per Annum has been granted out of the Revenue of the United Kingdom, during the Years 1848 and 1849 (the latest period to which the Accounts can at present be made up), including Wages, Victualling, and Allowances of Officers, Crews and Engineers, Coals and Engine Stores, and Sea Stores, and an allowance of Ten per Cent. for Repairs, Five per Cent. for Depreciation, Six per Cent. for Sea Risk, in lieu of Premium of Insurance, and Four per Cent. Interest per Annum on the Total First Cost of the Vessels employed; the Net Amount of Passage-Money received by the East India Company, deducting Victualling and Allowance to the Commanders or other Persons for the same Periods.—The same as to the Cost of transmitting the Bi-monthly Mails between Bombay and Aden.

	1847/48.	1848/49 .
BETWEEN BOMBAY AND SUEZ:		
	£.	£.
Wages and Allowances of officers, crews, engineers, &c. of steam vessels - - - - -	18,069	19,569
Victualling, coals, engine stores, and sea stores - - - - -	38,236	38,636
Calculated charge of ten per cent. for repairs, five per cent. for depreciation, six per cent. for sea risk, in lieu of premium of insurance, and four per cent. interest per annum on the total first cost of the steam vessels employed - - - - -	53,603	61,260
Expenses defrayed in Egypt, including salaries of agents in Egypt and Malta - - - - -	18,276	17,770
Total Charges - - - £.	128,204	137,255
Net amount of passage money received by the East India Company -	18,344	17,168
Amount of freight - - - - -	3,165	1,822
Total Receipts - - - £.	21,509	18,990
Total Charges, deducting passage money and freight received -	106,695	118,265
Amount granted out of the revenues of the United Kingdom - -	50,000	50,000
Total Net Charge to the Company in each year for transmitting the mails between Bombay and Suez, including calculated charge for repairs, depreciation, interest, and insurance - - - - -	£. 56,695	68,265
BETWEEN BOMBAY AND ADEN (Bi-monthly Mails):		
Wages and Allowances of officers, crews, engineers, &c. of steam and other vessels - - - - -	5,748	8,054
Victualling, coals, engine stores, and sea stores - - - - -	14,269	17,694
Calculated charge of ten per cent. for repairs, five per cent. for depreciation, six per cent. for sea risk in lieu of premium of insurance, and four per cent. interest per annum on the total first cost of the vessels employed - - - - -	15,526	16,791
Total charge to the Company in each year for transmitting the mails between Bombay and Aden - } £.	35,543	42,539
Total net charge to the East India Company for transmitting the mails between Bombay and Suez and Bombay and Aden (including charge for repairs, depreciation, interest, and insurance, computed at the rates specified in the Order of the Honourable House) - - - - - } £.	92,238	110,804

Note.—The commanders of steam frigates are allowed (to cover the expenses of the table) the net amount of passage money paid by all passengers proceeding to Aden, not exceeding 10, and 100 rupees per head for all exceeding that number

(Errors Excepted.)

East India House,
10 March 1851.

Secretary

THE TONNAGE and HORSE-POWER of the several STEAM-VESSELS named in the following STATEMENTS is as follows, viz —

Name of Steam Vessel.	Tons.	Horse-Power.
Acbar - - - - -	1,143	350
Ajdaha - - - - -	1,440	500
Atalanta - - - - -	616	210
Auckland - - - - -	946	220
Feerooz - - - - -	1,440	500
Moozuffer - - - - -	1,440	500
Queen - - - - -	760	220
Semiramis - - - - -	1,000	300
Sesostris - - - - -	876	220
Victoria - - - - -	714	230

Marine Department, East India House,
10 March 1851.

J. C. Mason.

James C. Melvill.

MONTHLY MAILS BETWEEN BOMBAY AND SUEZ.

Date of Mail from Bombay.	Name of Vessel.	Arrived at Aden.	Left Aden.	Name of Vessel.	Arrived at Suez.
1847:		1847:	1847:		1847:
20 May -	Victoria -	3 June -	4 June -	Victoria -	12 June.
20 June -	Acbar -	4 July -	5 July -	Atalanta -	15 July.
20 July -	Semiramis -	4 August -	5 August -	Victoria -	12 August.
31 August -	Acbar -	10 September -	11 September -	Acbar -	18 September.
1 October -	Semiramis -	10 October -	11 October -	Semiramis -	19 October.
2 November -	Atalanta -	11 November -	11 November -	Atalanta -	18 November.
1 December -	Victoria -	9 December -	10 December -	Victoria -	16 December.
1848:		1848:	1848:		1848:
1 January -	Acbar -	8 January -	9 January -	Acbar -	15 January.
1 February -	Atalanta -	9 February -	10 February -	Atalanta -	18 February.
2 March -	Victoria -	11 March -	11 March -	Victoria -	19 March.
1 April -	Ajdaha -	9 April -	10 April -	Ajdaha -	17 April.
1 May -	Atalanta -	11 May -	11 May -	Atalanta -	19 May.
20 " -	Victoria -	2 June -	4 June -	Victoria -	13 June.
20 June -	Acbar -	2 July -	3 July -	Atalanta -	11 July.
20 July -	Ajdaha -	2 August -	3 August -	Victoria -	12 August.
31 August -	Acbar -	11 September -	12 September -	Acbar -	19 September.
3 October -	Feerooz -	12 October -	13 October -	Feerooz -	20 October.
2 November -	Victoria -	11 November -	11 November -	Ajdaha -	17 November.
3 December -	Acbar -	10 December -	11 December -	Acbar -	18 December.
1849:		1849:	1849:		1849:
3 January -	Ajdaha -	10 January -	11 January -	Ajdaha -	17 January.
3 February -	Feerooz -	11 February -	12 February -	Feerooz -	18 February.
4 March -	Acbar -	12 March -	13 March -	Acbar -	19 March.
3 April -	Ajdaha -	11 April -	12 April -	Ajdaha -	18 April.
1 May -	Atalanta -	11 May -	12 May -	Atalanta -	21 May.
21 " -	Victoria -	3 June -	4 June -	Victoria -	14 June.
25 June -	Moozuffer -	7 July -	7 July -	Atalanta -	15 July.
25 July -	Feerooz -	8 August -	8 August -	Atalanta -	17 August.
1 September -	Ajdaha -	12 September -	13 September -	Ajdaha -	19 September.
3 October -	Acbar -	11 October -	12 October -	Acbar -	18 October.
3 November -	Victoria -	13 November -	14 November -	Victoria -	22 November.
3 December -	Ajdaha -	11 December -	11 December -	Ajdaha -	18 December.
1850:		1850:	1850:		1850:
3 January -	Acbar -	11 January -	11 January -	Acbar -	19 January.
4 February -	Victoria -	13 February -	14 February -	Victoria -	22 February.
2 March -	Ajdaha -	10 March -	11 March -	Ajdaha -	18 March.
3 April -	Acbar -	12 April -	13 April -	Acbar -	20 April.
1 May -	Atalanta -	11 May -	12 May -	Atalanta -	20 May.
25 " -	Acbar -	5 June -	6 June -	Acbar -	14 June.
25 June -	Feerooz -	8 July -	8 July -	Atalanta -	17 July.
25 July -	Moozuffer -	10 August -	10 August -	Acbar -	18 August.
31 August -	Ajdaha -	12 September -	13 September -	Ajdaha -	20 September.
3 October -	Feerooz -	11 October -	12 October -	Feerooz -	19 October.
3 November -	Ajdaha -	10 November -	11 November -	Ajdaha -	19 November.
3 December -	Feerooz -	11 December -	11 December -	Feerooz -	19 December.

4 STATEMENT OF THE COST OF TRANSMITTING THE MAILS AND

MONTHLY MAILS BETWEEN SUEZ AND BOMBAY.

Date of Mail from London.	Left Suez.	Name of Vessel.	Arrived at Aden.	Left Aden.	Name of Vessel.	Arrived at Bombay.
1847 :	1847 :		1847 :	1847 :		1847 :
7 May -	23 May -	Semiramis -	30 May -	30 May -	Semiramis -	6 June.
7 June -	- - -	Auckland -	28 June -	28 June -	Auckland -	6 July.
7 July -	- - -	Acbar -	29 July -	29 July -	Acbar -	5 August.
7 August -	- - -	Semiramis -	- - -	28 August -	Semiramis -	7 Sept.
7 September	22 Sept.	Victoria -	- - -	29 Sept.	Victoria -	8 October.
7 October -	23 October	Acbar -	- - -	30 October	Acbar -	9 Nov.
8 November	24 Nov.	Atalanta -	- - -	3 Dec.	Atalanta -	14 Dec.
7 December	29 Dec.	Semiramis -	7 Jan. 1848	6 Jan. 1848	Semiramis -	18 Jan. 1848.
1848 :	1848 :		1848 :	1848 :		1848 :
7 January -	23 January	Victoria -	30 January	30 January	Victoria -	9 February.
7 February	22 February	Atalanta -	- - -	1 March -	Atalanta -	7 March.
7 March -	22 March -	Victoria -	- - -	31 March -	Victoria -	9 April.
7 April -	21 April -	Acbar -	- - -	28 April -	Acbar -	6 May.
8 May -	22 May -	Ajdaha -	- - -	29 May -	Ajdaha -	5 June.
7 June -	21 June -	Atalanta -	- - -	29 June -	Sesostris -	6 July.
7 July -	- - -	- - -	- - -	27 July -	Acbar -	3 August.
7 August -	- - -	Atalanta -	27 August -	28 August -	Ajdaha -	4 Sept.
7 September	21 Sept.	Victoria -	- - -	29 Sept.	Victoria -	9 October.
7 October -	20 October	Acbar -	- - -	27 October	Acbar -	5 Nov.
7 November	22 Nov.	Ajdaha -	- - -	30 Nov.	Ajdaha -	8 Dec.
7 December	21 Dec.	Feerooz -	- - -	28 Dec.	Feerooz -	6 Jan. 1849.
1849 :	1849 :		1849 :	1849 :		1849 :
8 January -	22 January	Acbar -	- - -	29 January	Acbar -	7 February.
7 February	21 February	Ajdaha -	27 February	27 February	Ajdaha -	8 March.
9 March -	23 March -	Feerooz -	29 March -	30 March -	Feerooz -	6 April.
7 April -	20 April -	Acbar -	- - -	27 April -	Acbar -	5 May.
7 May -	20 May -	Ajdaha -	- - -	26 May -	Ajdaha -	3 June.
7 June -	21 June -	Atalanta -	28 June -	28 June -	Queen -	7 July.
7 July -	- - -	- - -	- - -	27 July -	Moozuffer -	4 August.
7 August -	20 August -	Victoria -	27 August -	27 August -	Feerooz -	3 Sept.
7 September	21 Sept.	Atalanta -	- - -	29 Sept.	Atalanta -	9 October.
8 October -	22 October	Ajdaha -	- - -	29 October	Ajdaha -	7 Nov.
7 November	22 Nov.	Acbar -	- - -	29 Nov.	Acbar -	9 Dec.
7 December	24 Dec.	Victoria -	- - -	5 Jan. 1850	Victoria -	14 Jan. 1850.
1850 :	1850 :		1850 :	1850 :		1850 :
7 January -	21 January	Ajdaha -	- - -	29 January	Ajdaha -	7 February.
7 February	21 February	Acbar -	- - -	28 February	Acbar -	8 March.
7 March -	20 March -	Victoria -	- - -	30 March -	Victoria -	9 April.
8 April -	21 April -	Acbar -	- - -	29 April -	Acbar -	7 May.
7 May -	20 May -	Ajdaha -	- - -	27 May -	Ajdaha -	4 June.
7 June -	- - -	- - -	- - -	27 June -	Auckland -	6 July.
8 July -	- - -	Acbar -	- - -	28 July -	Feerooz -	3 August.
7 August -	22 August -	Atalanta -	- - -	30 August -	Sesostris -	7 Sept.
7 September	22 Sept.	Ajdaha -	- - -	30 Sept.	Ajdaha -	9 October.
7 October	21 October	Feerooz -	- - -	28 October	Feerooz -	6 Nov.
7 November	20 Nov.	Acbar -	- - -	29 Nov.	Acbar -	9 Dec.
7 December	- - -	- - -	- - -	- - -	- - -	- - -

BI-MONTHLY MAILS BETWEEN ADEN AND BOMBAY.

DATE of Mail from London.	Left Aden.	Name of Vessel.	Arrived at Bombay.
1847 :	1847 :		1847 :
24 May -	16 June -	Lord Stanley, merchant vessel	30 June.
24 June -	16 July -	Schooner Constance -	25 July.
24 July -	16 August -	Brig Tigris -	30 August.
24 August -	16 September	Atalanta -	25 September.
24 September	26 October	Moozuffer -	3 November.
25 October -	17 November	Queen -	29 "
24 November	18 December	Sesostris -	28 December.
	1848 :		1848 :
24 December	17 January -	Queen -	28 January.
	1848 :		
24 January -	18 February	Sesostris -	26 February.
24 February -	22 March -	Moozuffer -	30 March.
24 March -	19 April -	Sesostris -	27 April.

DESPATCHES BETWEEN BOMBAY AND SUEZ, &c. 1848-1849. 5

DATE of Mail from London.	Left Aden.	Name of Vessel.	Arrived at Bombay.
1848:	1848:		1848:
24 April -	17 May -	Moozuffer -	25 May.
24 May -	15 June -	Brig Euphrates -	25 June.
24 June -	18 July -	Semiramis -	25 July.
24 July -	17 August -	Schooner Mahi -	26 August.
24 August -	19 September -	Atalanta -	27 September.
25 September -	19 October -	Semiramis -	29 October.
24 October -	17 November -	Victoria -	28 November.
24 November -	17 December -	Sesostris -	28 December.
	1849:		1849:
23 December -	15 January -	Victoria -	26 January.
1849:			
24 January -	17 February -	Moozuffer -	24 February.
24 February -	-	Victoria -	30 March.
24 March -	18 April -	Moozuffer -	26 April.
24 April -	17 May -	Feerooz -	24 May.
24 May -	19 June -	Brig Tigris -	29 June.
25 June -	19 July -	Brig Euphrates -	4 August.
24 July -	14 August -	Sesostris -	22 "
24 August -	20 September -	Victoria -	29 September.
24 September -	21 October -	Auckland -	31 October.
24 October -	15 November -	Queen -	27 November.
	1850:		1850:
24 November -	30 December -	Auckland -	2 January.
24 December -	15 January -	Moozuffer -	23 January.
1850:			
24 January -	15 February -	Sesostris -	25 February.
25 February -	18 March -	Moozuffer -	25 March.
25 March -	14 April -	Sesostris -	23 April.
24 April -	-	Moozuffer -	23 May.
24 May -	13 June -	Queen -	21 June.
24 June -	14 July -	Schooner Constance -	24 July.
24 July -	14 August -	Moozuffer -	21 August.
24 August -	14 September -	Atalanta -	23 September.
24 September -	15 October -	Moozuffer -	25 October.
24 October -	14 November -	Sesostris -	24 November.
25 November -	16 December -	Queen -	29 December.
24 December -	-	-	-

BI-MONTHLY MAILS BETWEEN BOMBAY AND ADEN.

Name of Vessel.	Date of Mail from Bombay.	Arrived at Aden.	Name of Vessel.	Date of Mail from Bombay.	Arrived at Aden.
	1847:	1847:		1849:	1849:
Auckland -	12 May -	31 May.	Sesostris -	20 January	28 January.
Via Madras -	1 June -	28 June.	Victoria -	17 February	26 February.
Via Ceylon -	-	-	Moozuffer -	17 March -	25 March.
Braganza -	-	-	Feerooz -	17 April -	25 April.
(hired vessel.)	-	-	Sesostris -	12 May -	22 May.
Seaforth -	-	-	Auckland -	17 Sept. -	7 October.
(hired vessel.)	-	-	Queen -	17 October	27 October.
Queen -	15 October	30 October.	Auckland -	17 Nov. -	27 Nov.
Sesostris -	15 Nov. -	28 Nov.	Moozuffer -	17 Dec. -	24 Dec.
Queen -	15 Dec. -	29 Dec.		1850:	1850:
	1848:	1848:			
Sesostris -	16 January	24 January.	Sesostris -	17 January	23 January.
Queen -	15 February	26 February.	Moozuffer -	17 February	24 February.
Sesostris -	15 March -	24 March.	Sesostris -	16 March -	24 March.
Moozuffer -	15 April -	24 April.	Moozuffer -	17 April -	27 April.
Sesostris -	12 May -	23 May.	Sesostris -	11 May -	23 May.
Semiramis -	15 Sept. -	26 Sept.	Moozuffer -	17 Sept. -	26 Sept.
Ajdaha -	17 October	26 October.	Sesostris -	17 October	— October.
Sesostris -	16 Nov. -	25 Nov.	Queen -	16 Nov. -	25 Nov.
Victoria -	18 Dec. -	28 Dec.	Sesostris -	16 Dec. -	26 Dec.

MAILS (EAST INDIA).

STATEMENT of the TOTAL COST of transmitting
the MAILS and DESPATCHES between *Bombay*
and *Suez*, &c. by the *East India Company*, during
the Years 1848 and 1849, &c.

(*Mr. Divett.*)

Ordered, by The House of Commons, to be Printed,
11 March 1851.

MAIL STEAMERS (CAPE OF GOOD HOPE AND INDIA).

RETURN to an Address of the Honourable The House of Commons,
dated 9 December 1852;—for,

“COPIES of all CORRESPONDENCE which has taken place between the BOARD of ADMIRALTY, the GENERAL SCREW STEAM SHIPPING COMPANY, and the GENERAL POST OFFICE, relating to the Application of that Company for the substitution of *Southampton* for *Plymouth* as the Port of Departure for the Steamers which carry the Mails to the *Cape of Good Hope* and *India* :”

“Of all OFFICIAL PAPERS which have been forwarded to or sent from the Board of Admiralty, within the last Six Months, in reference to the Accommodation which the Port of *Plymouth* affords for Ships of the Size and Length employed by that Company in the Conveyance of these Mails, and of the Replies thereto :”

“And, of all REPORTS connected with the subject which have been received by the Board of Admiralty during the year 1852.”

Admiralty, }
11 February 1853. }

J. H. HAY,
Chief Clerk.

CORRESPONDENCE, &c.

— No. 1. —

General Screw Steam Shipping Company,
2, Royal Exchange Buildings,
5 October 1852,

Sir,

I HAVE the honour to request the permission of my Lords Commissioners of the Admiralty for Her Majesty's mails to be received on board the vessels of the General Screw Steam Shipping Company at Southampton instead of Plymouth. My Lords are aware that the mails for the West Indies, and for India and eastward, are shipped at Southampton.

The General Screw Steam Shipping Company are induced to make this application to my Lords in consequence of the want of accommodation at Plymouth for ships of the capacity of those employed in the postal service to India.

The Company's agent at Plymouth states, that during the summer months, coaling in the Sound is attended with risk as well as delay; and that during the winter months, it is absolutely necessary to have a more secure anchorage. In consequence he has applied to the authorities for permission to use Her Majesty's moorings at Drake's Island, or Barn Pool; but supposing the service to permit the use of these moorings, it seems that the position hardly allows ships of the line to swing, and consequently there would not be space for the steamers, which are 240 feet in length.

Again, according to the opinion, as the Directors understand, of the Queen's Harbour Master, they could not swing in any part of Catwater or lie in safety, and on the whole, that the port does not afford safe accommodation for the ships of the size of those belonging to this Company.

The Directors trust that if these statements are correct, my Lords will be pleased to comply with this application.

I have, &c.
(signed) J. C. Ellis,
Chairman.

The Secretary of the Admiralty.

2 CORRESPONDENCE relating to the PORT of DEPARTURE of the

— No. 2. —

Sir,

Admiralty, 6 October 1852.

Vide No. 1.
I AM commanded by my Lords Commissioners of the Admiralty to send you herewith the copy of a letter from the General Screw Steam Shipping Company, dated the 5th inst., on the subject of the removal of the station for the Mail Packets under their contract, from Plymouth to Southampton, and my Lords desire you will transmit to me a full report upon the representations therein contained, and you are to take the opinion of the Queen's Harbour Master, or other persons capable of forming a correct judgment in the matter.

Captain Lowe, conducting the Packet
Service at Plymouth.

I am, &c.
(signed) A. Stafford.

— No. 3. —

Sir,

Impregnable, Hamoaze, 11 October 1852.

IN reply to your letter of the 6th October, and its enclosure from the Chairman of the General Screw Steam Shipping Company, requesting permission for Her Majesty's mails to be received on board their vessels at Southampton instead of Plymouth, I have the honour to state, for their Lordships' information, that in investigating the complaints contained in their letter I have had the opinion of Mr. Thompson, the Queen's Harbour Master, and also that of the secretary and resident engineer of the Plymouth Great Western Dock Company, and beg to report as follows:—

1. For the purpose of embarking and disembarking the mails, I consider this port affords every necessary accommodation, the anchorage in the Inner Sound is perfectly safe, and the mails might, in blowing weather from the southward, be put on board the Company's vessels by a small steamer; but in the summer months, and during fine weather, I see no objection to the large boats of the Company taking them off.

2. Should it be considered absolutely necessary for the Company's steamers of 1,800 tons to coal at this port, I am of opinion that during the summer months their vessels would run no risk in coaling in the anchorage in the Inner Sound; but in the winter months, and with strong southerly winds, they would have so much motion that no collier could, without considerable risk, unload alongside their steamers.

3. If the Company's steamers are allowed to use the Government moorings between Drake's Island and the main, they would, from their extreme length, obstruct the navigation into Hamoaze with strong northerly or southerly winds, and at low-water spring tides there would not be sufficient water for them.

4. The moorings in Barn Pool will only admit a ship of the line laying there with the bridles hove in very short, and they cannot be moved further from the land on account of the strong eddy tide, and the obstruction they would cause to vessels working in or out of Hamoaze; I therefore consider it not advisable they should be allowed to use them.

5. Catwater is the only harbour of refuge for the fishing and small coasting trade; the channel has but 15 feet water at low tides, and the steam ships draw from 19 to 21; at high water there would be sufficient for their draft, but their great length would not allow them to turn without considerable difficulty.

6. Mill Bay and the works going on there by the Great Western Dock Company at present, affords no sufficient accommodation for these vessels, but I am informed by the engineer that the docks will be complete in two years, and that they will then be able to give the General Screw Steam Shipping Company every accommodation they can require.

It therefore appears to me that until that time the steamers of the company might be allowed to take in coal in Hamoaze alongside a hulk moored off the West Mud for their especial use; their doing so would not interfere with the port for naval purposes, the mails might be readily embarked, and the passengers would

MAIL STEAMERS (CAPE of GOOD HOPE and INDIA). 3

would be greatly accommodated; the steamers could go out at first and last quarter flood tide, and with the ebb tide they might always enter the harbour, except when it runs very strong.

I beg further to remark, that none of the objections now raised by the General Screw Steam Shipping Company existed previous to their using vessels of 1,800 tons for conveying Her Majesty's mails, and when that service was executed by vessels of the "Harbinger" class (900 tons), it was very regularly performed, and Mill Bay gave them the necessary accommodation for coaling, &c.

I have, &c.
(signed) *Arthur Lowe,*
Captain, and Superintendent of Packet
Service, Plymouth.

The Secretary of the Admiralty.

— No. 4. —

Sir, Admiralty, 16 October 1852.

I AM commanded by my Lords Commissioners of the Admiralty to send you herewith, for the information of the Lords Commissioners of Her Majesty's Treasury, copies of a letter from the General Screw Steam Shipping Company, dated 5th instant, requesting that the mails may be received on board the vessels of that Company at Southampton instead of at Plymouth; of one addressed to Captain Lowe, Superintendent of Packets at Plymouth, by their Lordships' orders, on the 6th instant, on the subject, and of his Report dated 11th instant, and I am to request that the Lords of the Treasury will favour my Lords with their decision on the subject.

Vide No. 1.

Vide No. 2.

Vide No. 3.

I am, &c.
(signed) *Aug. Stafford.*

Geo. A. Hamilton, Esq., Treasury.

— No. 5. —

Sir, Treasury Chambers, 27 November 1852.

THE Lords Commissioners of Her Majesty's Treasury having had before them your letter of the 15th ultimo, on the subject of a request made by the Chairman of the General Screw Steam Shipping Company, to be permitted to land and embark at the Port of Southampton, instead of at Plymouth, the mails which the Company convey under contract between this country and India, &c. *via* the Cape of Good Hope, I am commanded by their Lordships to acquaint you, for the information of the Lords of the Admiralty, that my Lords see no objection to the proposed change, and are pleased to sanction it, provided care be taken that the contract with the Company be not vitiated or affected by the change.

I am, &c.
(signed) *C. E. Trevelyan.*

The Secretary of the Admiralty.

— No. 6. —

Sir, Admiralty, 30 November 1852.

WITH reference to your letter of the 27th instant (No. 22,057), I am commanded by my Lords Commissioners of the Admiralty to acquaint you, for the information of the Lords Commissioners of Her Majesty's Treasury, that my Lords having taken into their consideration the whole question of the application of the General Screw Steam Shipping Company, to land and embark the mails at Southampton instead of at Plymouth, are of opinion that the convenience of the public is most considered by adhering to the present arrangement, more especially as the Company are about to make Southampton, instead of London, their refitting port, thereby obviating the necessity in most cases of coaling at Plymouth. My Lords may remark, that the alteration requested would not vitiate the contract, it being in their power to alter the place of departure, more especially since the establishment of the electric telegraph to that place.

I am, &c.
(signed) *Aug. Stafford.*

Geo. A. Hamilton, Esq., Treasury.

— No. 7. —

Gentlemen,

Admiralty, 1 December 1852.

I AM commanded by my Lords Commissioners of the Admiralty to acquaint you, that my Lords are unable to comply with your request made in the letter from your Chairman, under date 5th October last, relative to landing and embarking the mails at Southampton, instead of at Plymouth, my Lords being of opinion that the public convenience is best consulted by adhering to the present arrangement.

I am, &c.

(signed) *Aug. Stafford.*

The General Screw Steam Shipping Company,
2, Royal Exchange Buildings.

— No. 8. —

Sir,

Treasury Chambers, 24 December 1852.

I AM directed by the Lords Commissioners of Her Majesty's Treasury to acquaint you, in reply to your letter dated 30th ultimo, upon the subject of the application of the General Screw Steam Shipping Company to land and embark the mails for India, *via* the Cape of Good Hope, at Southampton instead of at Plymouth, that, on full consideration of the application, my Lords agree with the Lords of the Admiralty in opinion, that it is not expedient to alter the existing arrangements as regards the embarkation of the mails.

I am, &c.

(signed) *Geo. A. Hamilton.*

The Secretary of the Admiralty.

MAIL STEAMERS (CAPE OF GOOD
HOPE AND INDIA).

CORRESPONDENCE relating to the substitution of Southampton for Plymouth as the Port of Departure for the Mail Steamers to the Cape of Good Hope and India; and Official Papers and Reports relating to the Accommodation which the Port of Plymouth affords for the Ships employed in the Conveyance of those Mails.

(Mr. Wilson.)

Ordered, by The House of Commons, to be Printed,
14 February 1853.

120.

Under 1 oz.

MAILS TO CALCUTTA AND AUSTRALIA.

RETURN to an Order of the Honourable The House of Commons,
dated 13 December 1852;—for,

COPIES “of the REPORTS of the SURVEYORS and ENGINEERS appointed by the Admiralty to Inspect and Report upon the SHIPS employed by the GENERAL SCREW STEAM COMPANY to carry the Mails to *Calcutta*, and upon those employed by the AUSTRALIAN STEAM NAVIGATION COMPANY to carry the Mails to *Australia*; stating the TONNAGE of these Ships, their HORSE-POWER, the Average SPEED with and against Tide, the SPEED required by their respective Contracts, the ARMAMENT they are reputed to carry in case of need, and their General Dimensions.”

(*Mr. Rich.*)

Ordered, by The House of Commons, to be Printed,
14 February 1853.

GENERAL SCREW STEAM SHIPPING COMPANY TO CARRY THE MAILS TO CALCUTTA.

NAMES.	DIMENSIONS.			TONNAGE, OLD RULE.	HORSES' POWER.	SPEED.			ARMAMENT REPUTED TO CARRY.			REMARKS		
	Length.	Breadth	Depth.			With Tide.	Against Tide.	Required by Contract.	Number.	Pounders.	Weight.			
Queen of the South - -	<i>Ft.</i> 240	<i>In.</i> 6	<i>Ft.</i> 39 4 ½	<i>In.</i> 25 0	1,777 ¼	300	Mean Speed. About 10 knots (light)		8 knots -	} 20 1 1 }	} 32 10 in. 8 in. }	} 25 85 65 }	} Broadside Pivots }	} Fitted to receive the broadside guns, but not fitted to receive those on pivots, but is report- ed sufficiently strong for that purpose when so fitted
Lady Jocelyn - - -	240	6	39 4 ½	25 2	1,777 ½	300	About 10·25 knots -		8 knots -					
Indiana - - - -	240	8	39 4 ½	25 2	1,777 ¾	300	About 10 5 knots -		8 knots -					
Calcutta - - - -	247	0	39 2	25 3	1,800	300	- - 10·54 knots -		8 knots -					
Mauritius - - - -	247	0	39 2	25 3	1,800	- - Not known (not having been surveyed by the Engineers)		8 knots -						

AUSTRALIAN STEAM NAVIGATION COMPANY TO CARRY THE MAILS TO AUSTRALIA.

Australian - - -	226	6	33 0 ½	24 0	1,250	300	9·91 knots	8 ½ knots	} Decks and waist not sufficiently strong to carry guns.	} 8 2 20 2 }	} 32 68 32 8 in. }	} - - 25 65 }	} Broadside Pivots Broadside Pivots }	} Not fitted to receive this armament, but is reported sufficiently strong for that pur- pose
Sydney - - - -	226	0	33 0 ½	24 1	1,250	300	10·57 knots	8 ½ knots						
Melbourne - - -	213	0	37 4 ½	23 0 ½	1,418 ¾	250	8·75 knots	8 ½ knots						
Adelaide - - - -	263	4	38 2	25 7	1,852	450	11·52 knots	8 ½ knots						

Admiralty Surveyor's Office,
1 February 1853

B. W. Walker,
Surveyor of the Navy.

COPIES of the REPORTS of the SURVEYORS and ENGINEERS appointed by the Admiralty to Inspect and Report upon the SHIPS employed by the GENERAL SCREW STEAM COMPANY to carry the MAILS to *Calcutta*, and upon those employed by the AUSTRALIAN STEAM NAVIGATION COMPANY to carry the Mails to *Australia*; stating the TONNAGE of these Ships, their HORSE-POWER, the Average SPEED with and against Tide, the SPEED required by their respective Contracts, the ARMAMENT they are reputed to carry in case of need, and their General Dimensions.

“ QUEEN OF THE SOUTH.”

“ Queen of the South.”

Admiralty, Somerset House,
14 May 1852.

Sir,

IN compliance with your order of the 12th instant, directing me to survey the “ Queen of the South ” iron screw steamer, built for the General Screw Steam Shipping Company, I beg herewith to forward my report of the survey, which was taken in the River Thames on the 14th and 15th instant, and to state that she is built in a very substantial manner, and that her fittings and furniture are very complete, and that she is fully equipped in every respect for the conveyance of the mails between this country and the Cape and Calcutta, in accordance with the terms of the contract with this Company.

Capt. Sir Baldwin W. Walker, K.C.B.
&c. &c. &c.
Surveyor of the Navy, &c.

I have, &c.
(signed) *T. Waterman.*

REPORT of SURVEY on the “ QUEEN OF THE SOUTH,” Steam Vessel,
by Mr. *T. Waterman.*

When taken ?—14th and 15th May 1852.

Where taken ?—River Thames.

	Feet.	Inches.
Length from foreside of stem, to aftside of post, at the height of } the upper deck - - - - - }	240	6
Length, keel for tonnage - - - - -	216	7 ½
Breadth, extreme (including wales) - - - - -	39	4 ½
„ for tonnage - - - - -	39	3
„ moulded - - - - -	39	2
Depth in hold (deck to floor) - - - - -	25	0

Tonnage, old rule (builders') ?—1,777 ¼.

„ new rule ?

„ displacement (if it can be procured) ?—2,600 at 18 feet.

Built, when launched ?—October 1851.

„ where ?—Blackwall.

„ by whose draught ?—C. J. Mure & Co.

„ for what service ?—General Screw Steam Shipping Company.

4 REPORTS OF SURVEYORS AND ENGINEERS ON SHIPS

"Queen of the South."

				Feet.	Inches.
Draught of water when launched - - -	{	Forward - - -	-	8	0
		Aft - - -	-	11	6
" " with engines, boilers, masts, and rigging - - -	{	Forward - - -	-		
		Aft - - -	-		
" " load complete, with stores for sea - - -	{	Forward - - -	-	15	1
		Aft - - -	-	16	4

Whose engines fitted with, and of what power?—Maudslay, Sons, & Field; 300.

Description of boilers?—Tubular, 4 pieces.

Diameter of cylinder?—55 inches.

Length of stroke?—2 feet 6 inches.

Diameter of screw, and of what description?—15 feet; pitch, 17 feet.

Number of revolutions per minute, { When light?
When deep?—60.

Paddle boards—Length, ft. in.; breadth, ft. in.; area, ft. in.

Dip or immersion of paddle, { When light?
When deep?

What is the rate of speed under various circumstances; also the result of trials which are to be stated?—Speed, about 10 knots.

What quantity of coals the engines require per hour?—30 cwt.

What quantity of coals she will stow in her boxes?—530 tons.

Ditto - - - ditto - - - in other parts?—None.

Quantity of coals on board at load draught of water?—500 tons at trial.

Total complement of officers, 11; men, 71; engineers, 4; stokers, 18; total, 104.

Cables, number, and size?—Five - { 2 - 1 7/8 - 105 fathoms.
2 - 1 3/8 - 105 "
1 - 1 - 105 "

Anchors, number and weight?—Seven { Cwts. qrs. lbs.
2 - 50 0 0
2 - 39 0 0
1 - 14 0 0 } Rogers.
1 - 10 0 6
1 - 8 0 0

Boats, number and description?—Six { Ft. In. Ft. In. Ft. In.
1 Long boat - 31 2 x 9 3 x 3 10
1 Mail - 26 0 x 7 8 x 2 8
1 Cutter - 26 0 x 7 1 x 2 6
1 Life boat - 30 0 x 6 6 x 2 6
1 Ditto - 27 5 x 6 9 x 2 6
1 Jolly boat - 20 0 x 6 0 x 2 4

Number of persons they will carry?—About 250.

Guns, number and description?—Two 12-pounders, for signals.

Masts and yards (dimensions to be returned on Form No. 301.)

How does she stow her crew, stores, and provisions?—Very well.

What space of hold for cargo in tons, at about 50 cubic feet per ton?—About 900 tons.

What space for troops, the probable number below at 12 superficial feet per man?—About 250 troops.

Has she a secure place abaft for a magazine and shell-room?—A small magazine aft, which can be flooded by a tap in the saloon.

Mail-room, if any, and how fitted?—Two fitted complete, and to be lined with zinc.

Is her bottom sheathed with copper?— } Built of iron.
When last sheathed?—

" docket?—April 1852.

Lightning conductors?—Fitted complete, on the plan of Sir William Snow Harris.

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 5

* Scantling of the Frame, &c.

* "Queen of the South."

Keel.	- -	{ Sided 3 in. Deep 9 "	
Keelson	- -	{ Sided 8 " Moulded 18 "	} Three in number, with two angle irons at the top and bottom.
Floors	- -	{ Sided 8 " Moulded 2 feet	
Futtocks	- 1st	{ Sided 4 1/2 in. Moulded 6 "	} About 30 feet long in midships. } Reduced to 3 1/2 by 5 in. forward and aft, placed at a distance of 16 in. apart midships, graduated to 20 in. forward and aft; to be double or placed back to back in the engine-room, with reverse frames of 3 1/2 x 4 x 1/4 to every frame in engine-room, and every alternate one forward and aft.
	2d	{ Sided 4 1/2 " Moulded 6 "	
	3d	{ Sided 4 1/2 " Moulded 6 "	
	and top timbers	{ Moulded 6 "	
Stem	- -	{ Sided 4 " Moulded 10 "	
Stern post	- -	{ Sided 5 to 4 in. Moulded 9 in.	
Wales	- -	- Thick 2 x 2 ft. 2 in. 2 strakes	} All double rivetted throughout. Flush butts and overlapped edges.
Bottom plank	- -	- Thick garboard 1 in., bilge 1 1/8 to 1 1/2	
Topsides	- -	- Thick 1/2, sheer strake 1/2	
Beams, upper deck	-	{ Sided 1 1/2 in. Moulded 10 "	} With angle iron 3 x 3 1/2 in. at the top, and half round iron at the bottom.
" lower deck	-	{ Sided 1 1/2 " Moulded 10 "		} Ditto.

Upper deck flat thick	- 4 "	Dantzic fir, fastened with iron screws, galvanised.
Lower do. do.	- 3 1/2 "	Yellow pine.
Quarter-deck beams	- 10 "	by 9 in. sided. Mast and hatchway, oak; remainder, fir.
Quarter-deck flat	- 3 1/2 "	Yellow pine, fastened with mixed metal.

To state if the beams and framing are properly disposed of for enabling the vessel to be armed as a war steamer, with the size guns (pounders) number of each, and where can be mounted as pivot or broadside guns?

She is fitted with ports, and ring and eye-bolts for twenty-six 32-pounder broadside guns on the upper deck, and is sufficiently strong to receive pivot guns, but not fitted.

Proposed	-	No.	-	32-prs.	-	Cwt.	-
	-	20	-	8 in.	-	25	-
	-	1	-	10 "	-	65	-
	-	1	-		-	85	-
Total	-	22	-		-		-

To state how the vessel is fastened, if with treenails or bolt nails, and butt bolts, if iron, copper, or mixed metal; and to report generally on the fastenings of the vessel?

The plates are overlapped edges and flush butts, double rivetted throughout. The beams are secured by flange knees, and longitudinal stringers of plate iron of 2 ft. 3 in. by 1/2 in. thick, with angle irons of 5 x 3 1/2 in. to each deck, connected at the ends of the ship by breast hooks, about 16 feet long, and she has seven water-tight bulkheads.

6 REPORTS OF SURVEYORS AND ENGINEERS ON SHIPS

"Queen of the South."

Also, a detailed report of the general state and equipment of the vessel for the services required? She is fitted with a small capstan on the fore-castle, also one on the quarter deck, and a windlass on the upper deck for the chain cable, she has six good pumps, two of Downton's, and one attached to the donkey engine, which can be used as fire-engines if required. She is built in a very substantial manner, and has a good supply of stores and furniture, and is well adapted for the service for which she is built.

(signed) T. Waterman

Sir,

Admiralty, 19 May 1852.

IN accordance with your instructions I have surveyed the engines and machinery of the General Screw Steam Shipping Company's iron ship "Queen of the South," as to its fitness for being employed in carrying Her Majesty's mails between this country, the Cape of Good Hope, and Australia, and beg to report that the engines are nominally of 300 horse power, on the direct principle, by Messrs. Maudslay & Co., and during the trial worked in the most satisfactory manner. The speed of the vessel was considered to be about 10 knots.

The engines, &c. are arranged and fitted in the most complete and substantial manner, and I consider the whole to be in every respect good and fit for the above service, and in accordance with the terms of the contract.

I have, &c.
(signed) Robt. Hughes.

The Surveyor of the Navy.

Somerset House, 19 May 1852.

FORM to be filled up on the completion of each Steam Vessel for service, whether first fitted, repaired, or newly equipped, by the Engineer Department at the Port where the Works have been performed; the particulars, as to the Dimensions, &c. of the respective parts, to be ascertained by accurate Measurement.

(To be forwarded direct to the Surveyor of the Navy.)

General Screw Steam Shipping Company's Vessel "Queen of the South."

		<i>Ft. in.</i>
Draught of water when launched, or before receiving the machinery	{ Forward - - - -	7 11 1/2
	{ Aft - - - -	11 1
Ditto with engines, boilers, masts and rigging, and 520 tons of coal	{ Forward - - - -	15 2 1/2
	{ Aft - - - -	16 6 1/2
Ditto load complete, with stores for sea	{ Forward - - - -	
	{ Aft - - - -	
Engines, manufacturer	- - - -	Maudslay, Sons, & Field.
" when new?	- - - -	1852.
" if old, from what vessel?	- - - -	
" date of last thorough repair at a factory	- - - -	
" horse power (according to Admiralty rule)	- - - -	300.
" description, (whether direct, beam, oscillating, vertical, horizontal, &c.)	- - - -	Diagonal cylinders.
" number of cylinders	- - - -	Two.
" diameter of cylinder	- - - -	55 inches.
" length of stroke	- - - -	2 feet 6 inches.
Kind of piston	- - - -	Metallic.

Weight

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 7

Weight of engines and shafts	- - -	84 tons.	"Queen of the South."
" " boilers and fittings	- - -	88 "	
" " water in ditto	- - -	62 "	
" " paddle wheels, or	- - -	-	
" " screw propeller and frame, &c.	- - -	9 ½ "	
" " spare gear	- - -	-	
Total weight with all fittings	- - -	243 ½ tons.	

Number of revolutions per minute	-	-	-	-	-	When tried light—draft of water	{	Fore 15 ft. 2 ¼ in.	} 60.
						When tried deep—draft of water	{	Aft 16 6 ½	
Mean pressure on the piston by indicator	-	-	-	-	-	When tried light, 13.125 lbs.	{		When tried deep, lbs.

BOILERS.

Description of boilers	- - -	- - -	Tubular.
Iron or copper	- - -	- - -	Iron.
By whom made	- - -	- - -	Maudslay, Sons, & Field.
When new	- - -	- - -	1852.
Date of last thorough repair, and where performed	- - -	- - -	-
Number of separate parts	- - -	- - -	Four.
Height of top of steam chest above load water-line	- - -	- - -	} 2 feet.
Tubes, number (total)	- - -	- - -	720.
" length	- - -	- - -	7 feet.
" diameter	- - -	- - -	3 inches outside.
" thickness	- - -	- - -	½ inch, full.
" iron or brass	- - -	- - -	Iron.
" whether with ferrules or not	- - -	- - -	Not.
Tube plates, thickness	- - -	- - -	½ inch.
" distance between tubes	- - -	- - -	1 ½ "
" iron or brass	- - -	- - -	Iron.
Number of furnaces	- - -	- - -	Twelve.
Length of ditto	- - -	- - -	6 feet.
Breadth of ditto	- - -	- - -	2 feet 6 inches.
Pressure on safety-valve	- - -	- - -	12 lbs.
Number of stoke-holes	- - -	- - -	Two.
Means of ventilation	- - -	- - -	Wind-pipe and hoods.
Number of funnels	- - -	- - -	One.
Diameter of ditto	- - -	- - -	5 feet.
Length of ditto	- - -	- - -	36 feet.
If made to strike, in what manner	- - -	- - -	Lowered with hinge.
Number of masts	- - -	- - -	Three.
Position of mainmast with relation to funnels,	- - -	- - -	36 feet abaft centre of funnel.
Cubic contents of boxes	- - -	- - -	-
Quantity of coals that can be stowed in boxes, and of what description	- - -	- - -	} 520 tons.
Ditto that can be stowed in other parts	- - -	- - -	None, except in bags in the fore-hold.
Cubic contents of ditto	- - -	- - -	-
What number of pipes are fitted in boxes, to ascertain the temperature	- - -	- - -	} None fitted.

8 REPORTS OF SURVEYORS AND ENGINEERS ON SHIPS

"Queen of the South."

PADDLE WHEELS.

Description of paddle-wheels	- - -		
Diameter to the inner edge of outer rim	-		
How much reefed	- - -		
Total number of paddles in each wheel	-		
Number of paddles on the arm	- - -		
Breadth of each	- - -		
Dip or immersion of paddle *	- -	{	When tried light, ft. in.
		{	When tried deep, ft. in.
Description of disconnecting apparatus	-		
„ „brakes, or holding ditto	-		
Extreme breadth over paddle-boxes at the spring beams	- - - - -	}	
Whether fitted with paddle-box boats	- -		

SCREW PROPELLER.

Description of screw propeller	- - -	Feathering.	
Diameter of - - ditto	- - -	15 feet.	
Length (on the line of keel)	- - -		
Pitch	- - -	17 feet.	
Multiple	- - -	Direct.	
Means for disconnecting the propeller	- -	Shaft withdrawn.	
„ for hoisting - - - ditto	- -	Blocks and tackle.	
Description of distilling apparatus	- -		
„ of means for turning round the engines when cold	- - -	} Worm-wheel and pinion.	
„ of any other contrivance under trial	- - -		
What is the rate of speed, both when at light draught and when deep, ascertained by measured distance, and where tried? †	- - -	{	When tried light, 10 nautical miles.
		{	When tried deep, nautical miles

Tried between Woolwich and the Nore.

GENERAL REMARKS on the Extent of Repairs or Alterations of the Machinery and Vessel during her Equipment at the Port.

Injection pipes are fitted from the bilge to the condensers.

The bilge pumps are connected by means of suitable pipes and cocks to the top of the air-pump, in order to assist in freeing it from air, &c., if it should be considered necessary, when the injection water is of a high temperature.

The bilge-pumps are also so arranged as to draw boiling water from the boilers, and throw it in jets overboard.

All the main bearings of the engines and shafting are lined with soft metal.

One air-pump only is used for both engines, worked vertically from the main shaft, with a stroke of 10 inches.

(signed) *Robt. Hughes.*

* The immersion of the paddles is to be ascertained by careful measurement, at the same time, of both paddle wheels in smooth water.

† Indicator cards, originals, are to be attached to this return; taken on the occasions of the trials "light" and "deep," from each engine, top and bottom.

Cards are likewise to be sent, showing the performance of the engines on each of the grades of expansion.

A list of the spare gear actually put on board is also to be appended, certified to have been tried in place.

"LADY JOCEYLN."

"Lady Jocelyn."

Admiralty, Somerset House,
26 July 1852.

Sir,

IN obedience to your order of the 15th instant, directing me to survey the "Lady Jocelyn" iron screw steam ship, built at Blackwall for the General Screw Steam Shipping Company, I beg herewith to forward my report of the survey, which was taken in the River Thames on the 16th and 24th instant, and to state that this ship is built in a substantial manner; that her fittings and furniture are very complete, and she is fully equipped in every respect for the conveyance of the mails between this country and the Cape and Calcutta, in accordance with the terms of the contract.

I have, &c.

Capt. Sir Baldwin W. Walker, K.C.B.,
&c. &c. &c.
Surveyor of the Navy, &c.

(signed) T. Waterman.

REPORT of SURVEY on the "LADY JOCELYN" Steam Vessel, by Mr. T. Waterman.

When taken?—16th and 24th July 1852.

Where taken?—River Thames.

	Feet.	Inches.
Length from foreside of stem to aftside of post, at the height of the upper deck	240	6
Length of keel for tonnage	218	7
Breadth, extreme (including wales)	39	4 ½
" for tonnage	39	3
" moulded	39	2
Depth in hold (deck to floor)	25	2
Tonnage, old rule (builders')?—1,777 ¼.		
" new rule?		
" displacement (if it can be procured)?—2,600 at 18 feet.		

Built, when launched?—March 1852.

 " where?—Blackwall.

 " by whose draught?—C. J. Mare & Co.

 " for what service?—General Screw Steam Shipping Company.

	Feet.	Inches.
Draught of water when launched		
{ Forward	8	0
{ Aft	11	4
" with engines, boilers, masts and rigging		
{ Forward	9	10
{ Aft	13	0
" load complete, with stores for sea		
{ Forward	15	6
{ Aft	16	7

Whose engines fitted with, and of what power?—Maudalay, Sons, & Field; 300.

Description of boilers?—Tubular, four pieces.

Diameter of cylinder?—55 inches.

Length of stroke?—Two feet six inches.

Diameter of screw, and of what description?—Two blades folding; diameter, 15 feet; pitch, 17 feet; length, 4 feet.

Number of revolutions per minute, { When light?
 { When deep?—60 at trial.

10 REPORTS OF SURVEYORS AND ENGINEERS ON SHIPS

"Lady Jocelyn." Paddle boards—Length, feet inches; breadth, feet inches; area, feet inches.

Dip or immersion of paddle { When light ?
When deep ?

What is the rate of speed under various circumstances; also the result of trials, which are to be stated?—At a trial in Long Reach and Lower Hope, weather fine, about 10 knots.

What quantity of coals the engines require per hour?—21 cwt.

What quantity of coals she will stow in her boxes?—550 tons.

Ditto - - - ditto - - - in other parts?—None

Quantity of coals on board at load draught of water?—450 at trial, 70 ballast, 45 water

Total complement of officers, 11; men, 75; engineers, 4; stokers, 18; total, 108.

Cables, number and size?—Five - { 2 - 1 1/2 - 105 fathoms.
2 - 1 3/4 - 105 "
1 - 1 - 105 "

Anchors, number and weight?—Seven.

		Cwts.	qrs.	lbs.
2	-	50	0	0
2	-	39	0	0
1	-	14	0	0
1	-	10	0	6
1	-	8	0	0

 } Rogers.

Boats, number and description -

		Ft	In.	Ft.	In.	Ft.	In.			
2	Life boats	-	30	3	×	7	7	×	2	9
1	Cutter	-	26	0	×	7	7	×	2	9
1	"	-	26	0	×	7	2	×	2	6
1	"	-	24	0	×	6	0	×	2	5
1	Jolly boat	-	20	0	×	6	0	×	2	4
1	Gig	-	24	0	×	6	1	×	2	1

Number of persons they will carry?—280.

Guns, number and description?—Two 18-pounders, for signals.

Masts and yards (dimensions to be returned on Form No. 301.)

How does she stow her crew, stores, and provisions?—Very well.

What space of hold for cargo in tons, at about 50 cubic feet per ton? } About 900 tons,
What space for troops, the probable number below at 12 superficial } or
feet per man? - } 250 troops.

Has she a secure place abaft for a magazine and shell-room?—A small magazine aft which can be flooded by a valve in the saloon.

Mail-room, if any, and how fitted?—Two, fitted complete, and lined with zinc.

Is her bottom sheathed with copper?— } Built of iron.
When last sheathed?—

" docked?—July 1852.

Lightning conductors?—Fitted complete, on the plan of Sir W. Snow Harris.

Scantling of the Frame, &c.

Keel	- -	{	Sided	3	in.	
		{	Deep	9	"	
Keeelson	- -	{	Sided	3	"	} Three in number, with two angle irons at the top and two at the bottom.
		{	Moulded	18	"	
Floors	- -	{	Sided	3	"	} About 30 feet long in midships
		{	Moulded	24	"	
Futtocks	- -	{	Sided	4 1/2	"	} Reduced to 3 1/2 by 5 in. forward and aft, placed at a distance of 16 in. apart in midships, increased to 20 in. forward and aft. To be double, back to back, in the engine-room, with reverse frames of 3 1/2 by 4 by 1/8 to every frame in the engine-room, and every alternate frame forward and aft.
	1st	{	Moulded	6	"	
		{	Sided	4 1/2	"	
	2d	{	Moulded	6	"	
		{	Sided	4 1/2	"	
	3d	{	Moulded	6	"	



CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 11

"Lady Jocelyn."

Stem	-	-	{ Sided 4 in.	
			{ Moulded 10 "	
Stern post	-	-	{ Sided 5 to 4 "	
			{ Moulded 9 "	
Wales	-	-	Thick $\frac{3}{4}$ x 2 ft. 2 in.	- - - Two
Bottom plank	-	-	Thick garboard 1 in., bilge $\frac{11}{16}$ and $\frac{1}{8}$	} Overlapped edges and flush butts, double rivetted, throughout the ship.
Topsides	-	-	Thick $\frac{1}{2}$, sheer $\frac{3}{8}$	
Beams, upper deck	{	Sided $\frac{1}{2}$ in.	} With angle irons 3 by $3\frac{1}{2}$ in. on the top, and half round iron at the bottom.	
	{	Moulded 10 "		
" lower deck	{	Sided $\frac{1}{2}$ "	} Ditto	
	{	Moulded 10 "		



Upper deck flat thick	4	"	Dantzic deals, fastened with iron screws (tinned).
Lower - ditto -	$3\frac{1}{2}$	"	Yellow Pine - ditto - ditto - ditto.
Quarter-deck beams -	10 by 9	"	Mast and hatchways, oak; remainder, fir.
Ditto - - flat -	$3\frac{1}{2}$	"	Yellow pine, fastened with mixed metal.

To state if the beams and framing are properly disposed of for enabling the vessel to be armed as a warsteamer, with the size guns (pounders), number of each, and where can be mounted as pivot or broadside guns?

She is fitted with ports, and ring and eye-bolts for twenty-six 32-pounder broadside guns on the upper deck, and is sufficiently strong to receive two pivot guns, but not fitted.

	No.		Cwt.
I should propose -	20	- 32-prs.	25 broadside.
	1	- 8 in.	65 } pivot.
	1	- 10 "	85 }
Total - - -	22		

To state how the vessel is fastened, if with treenails or bolt nails, and butt bolts, if iron, copper, or mixed metal; and to report generally on the fastenings of the vessel?

Her plates are overlapped edges and flush butts, double rivetted throughout, with longitudinal stringers of plate iron 26 in. by $\frac{1}{2}$ in. thick, with angle iron 5 in. by $3\frac{1}{2}$ in. at each tier of beams, connected at the ends of the vessel by breast hooks about 16 feet long, and she has seven water-tight bulkheads.

Also a detailed report of the general state and equipment of the vessel for the services required?

She is fitted with a small capstan on the fore-castle, and also one on the quarter deck, and a windlass for the chain cables; she has six good pumps, and three of Downton's; three can be attached to the engine and donkey engine, and used as fire pumps or engines; she is built in a very substantial manner, and has a good supply of stores and furniture, and is well adapted for the service for which she is built.

(signed) T. Waterman.

Sir,

Admiralty, 26 July 1852.

IN obedience to your directions to survey the engines, boilers, and machinery of the "Lady Jocelyn," as to their fitness for being employed in carrying Her Majesty's mails between this country, the Cape of Good Hope, and Australia, under the contract of the General Screw Steam Shipping Company, I beg state that I have surveyed them accordingly, and to report that the engines, which are by Messrs. Maudslay, Sons, & Field, of 300 horse power, are arranged and fitted in the most complete, substantial, and workmanlike manner; and I consider the whole to be in every respect good and fit for the above service, and in accordance with the terms of the contract.

I have, &c.
(signed) Robt. Hughes.

The Surveyor of the Navy.

12 REPORTS OF SURVEYORS AND ENGINEERS ON SHIPS

"Lady Jocelyn."

Somerset House, 23 July 1852.

FORM to be filled up on the completion of each Steam Vessel for service, whether first fitted, repaired, or newly equipped, by the Engineer Department, at the Port where the Works have been performed; the particulars, as to the Dimensions, &c. of the respective parts, to be ascertained by accurate measurement.

(To be forwarded direct to the Surveyor of the Navy.)

General Screw Steam Shipping Company's Vessel, "Lady Jocelyn."

	<i>Ft. in.</i>
Draught of water when launched, or before receiving the machinery - - - -	Forward - - - 8 0 Aft - - - - 11 4
Ditto, with engines, boilers, masts and rigging, and 550 tons of coal on board - -	Forward - - - 9 10 Aft - - - - 13 0
Ditto, load complete, with stores for sea - -	Forward - - - 15 6 Aft - - - - 16 7
Engines, manufacturer - - - -	Maudslay, Sons, & Field.
" when new? - - - -	1852.
" if old, from what vessel? - -	- -
" date of last thorough repair at a factory - - - -	- - - -
" horse power (according to Admiralty rule) - - - -	300.
" Description; whether direct, beam, oscillating, vertical, horizontal, &c. - - - -	Fixed diagonal cylinders.
" number of cylinders - - - -	Two.
" diameter of cylinder - - - -	55 inches.
" length of stroke - - - -	2 feet 6 inches
Kind of piston - - - -	Metallic.
Weight of engines and shafts - - - -	84 tons.
" boilers and fittings - - - -	88 "
" water in ditto - - - -	62 "
" paddle-wheels, or - - - -	- -
" screw propeller and frame, &c. - -	9 ½ tons.
" spare gear - - - -	- -
Total weight with all fittings - - - -	243 ½ tons.
Number of revolutions per minute - - - -	{ When tried light—draft of water {Fore, 15 ft. 6 in. Aft - 16 7 } 60. { When tried deep—draft of water {Fore Aft } .
Mean pressure on the piston by indicator - -	{ When tried light, lbs. When tried deep, lbs.

BOILERS.

Description of boilers - - - -	Tubular.
Iron or copper - - - -	Iron.
By whom made - - - -	Maudslay, Sons, & Field.
When new - - - -	1852.
Date of last thorough repair, and where performed - - - -	- - - -

Number

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 13

Number of separate parts - - - -	Four.	
Height of top of boiler above load water-line	2 feet.	
Tubes, number (total) - - - -	720.	
„ length - - - -	7 feet.	
„ diameter - - - -	3 inches outside.	
„ thickness - - - -	$\frac{1}{8}$ inch, full.	
„ iron or brass - - - -	Iron.	
„ whether with ferrules or not - -	Not.	
Tube plates, thickness - - - -	$\frac{1}{16}$ inch.	
„ distance between tubes - - - -	1 $\frac{1}{2}$ inch.	
„ iron or brass - - - -	Iron.	
Number of furnaces - - - -	Twelve.	
Length of ditto - - - -	6 feet.	
Breadth of ditto - - - -	2 feet 6 inches.	
Pressure on safety-valve - - - -	12 lbs.	
Number of stoke-holes - - - -	Two.	
Means of ventilation - - - -	Wind-pipes and hoods.	
Number of funnels - - - -	One.	
Diameter of ditto - - - -	5 feet.	
Length of ditto - - - -	36 feet.	
If made to strike, in what manner - -	Lowered with hinge.	
Number of masts - - - -	Three.	
Position of mainmast with relation to funnels	36 feet abaft the centre of funnel.	
Cubic contents of boxes - - - -	-	
Quantity of coals that can be stowed in boxes, and of what description - - - -	} 550 tons.	
Ditto that can be stowed in other parts -		None, except in bags in the fore-hold.
Cubic contents of ditto - - - -	-	
What number of pipes are fitted in boxes, to ascertain the temperature - - - -	} None fitted.	

PADDLE WHEELS.

Description of paddle-wheels - - - -	-	
Diameter to the inner edge of outer rim -	-	
How much reefed - - - -	-	
Total number of paddles in each wheel -	-	
Number of paddles on the arm - - - -	-	
Breadth of each - - - -	-	
Dip or immersion of paddle* - - - -	{ When tried light, ft. in.	
	{ When tried déep, ft. in.	
Description of disconnecting apparatus -	-	
„ , brakes, or holding ditto -	-	
Extreme breadth over paddle-boxes at the spring beams - - - -	- }	
Whether fitted with paddle-box boats - -	-	

SCREW

* The immersion of the paddles is to be ascertained by careful measurement, at the same time, of both paddle wheels in smooth water.

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 15

REPORT of SURVEY on the "INDIANA," Steam Vessel, by Mr. T. Waterman.

"Indiana."

When taken?—4th and 11th September 1852.

Where taken?—River Thames.

	New Rule.		
	Feet.		Feet. Inches.
Length from foreside of stem to aftside of post, at the height of the upper deck - - - - - }	238 $\frac{3}{10}$	- -	240 8
Length, keel for tonnage - - - - -	-	- -	216 8
Breadth, extreme (including wales) - - - - -	-	- -	39 4 $\frac{1}{2}$
" for tonnage - - - - -	38 $\frac{2}{10}$	- -	39 3
" moulded - - - - -	-	- -	39 2
Depth in hold (deck to floor) - - - - -	25 $\frac{3}{10}$	- -	25 2
Tonnage, old rule (builders')?—1,777 $\frac{1}{4}$			
" new rule?—1,244 $\frac{4}{10}$; E. R., 559 $\frac{2}{10}$ = 1,803 $\frac{3}{10}$			
" displacement (if it can be procured)?—2,600 at 18 feet.			

Built, when launched?—7th April 1852.

 " where?—Blackwall.

 " by whose draught?—C. J. Mare.

 " for what service?—General Screw Steam Shipping Company.

		Feet. Inches.
Draught of water when launched - - - - -	{ Forward - - - - -	9 1
	{ Aft - - - - -	12 6
" with engines, boilers, masts, and rigging - - - - -	{ Forward - - - - -	12 4
	{ Aft - - - - -	13 7
" load complete, with stores for sea - - - - -	{ Forward - - - - -	18 6
	{ Aft - - - - -	18 9

Whose engines fitted with, and of what power?—Maudslay, Field & Co.; 300.

Description of boilers?—Tubular.

Diameter of cylinder?—55 inches.

Length of stoke?—Two feet six inches.

Diameter of screw, and of what description?—Two-bladed folding; diameter, 15 feet 6 inches; pitch, 17 feet; length, 4 feet.

Number of revolutions per minute { When light? When deep?—61 at trial.

Paddle-boards—Length, feet inches; breadth, feet inches; area, feet inches.

Dip or immersion of paddle { When light? When deep?

What is the rate of speed, under various circumstances; also the result of trials which are to be stated?—On her voyage from Blackwall to Gravesend, with tide, two hours. In consequence of so many craft in the river the speed could not be correctly ascertained, but it appeared to be about 10 $\frac{1}{2}$ knots.

What quantity of coals the engines require per hour?—30 cwt.

What quantity of coals she will stow in her boxes?—550 tons.

 Ditto - - ditto - - in other parts?—90 tons.

Quantity of coals on board at load draught of water?—640 tons at trial.

Total complement of officers, 11; men, 75; engineers, 4; stokers, 18; total, 108.

Cables, number and size?—Five -	{ 2 - 1 $\frac{1}{2}$ - 105 fathoms.	
	{ 2 - 1 $\frac{1}{2}$ - 105 "	
	{ 1 - 1 - 105 "	

Anchors, number and weight?—Seven	Cwt. qrs. lbs.	
	{ 2 - 60 0 0	
	{ 2 - 39 0 0	
	{ 1 - 14 0 0	Rogers.
	{ 1 - 10 0 6	
	{ 1 - 8 0 0	

121.

B 4

Boats,

16 REPORTS OF SURVEYORS AND ENGINEERS ON SHIPS

"Indiana."

		Ft.	In.	Ft.	In.	Ft.	In.
Boats, number and description?—Seven	2 Life Boats	-	30	3	7	7	2 9 1/2
	1 Cutter	-	26	0	7	7	2 9
	1 "	-	26	0	7	2	2 6
	1 "	-	24	0	6	0	2 5
	1 Gig	-	24	0	5	1	2 1
	1 Jolly boat	-	20	0	6	0	2 4

Number of persons they will carry?—280.

Guns, number and description?—Two 18-pounders, signals.

Masts and yards (dimensions to be returned on Form No. 301).

How does she stow her crew, stores, and provisions?—Very well.

What space of hold for cargo, in tons, at about 50 cubic feet per ton? } About 900 tons,

What space for troops, the probable number below at 12 superficial } or for
feet per man? - - - - - } 230 troops.

Has she a secure place abaft for a magazine and shell-room?—A small magazine, which can be flooded by a valve worked in the saloon.

Mail-room, if any, and how fitted?—Two; fitted complete, and lined with zinc.

Is her bottom sheathed with copper?— } Built of iron.

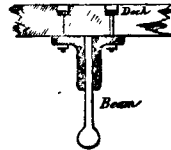
When last sheathed?—

„ docked?—6th August 1852.

Lightning conductors?—Fitted complete on the plan of Sir William Snow Harris.

Scantling of the Frame, &c.

Keel	-	-	{ Sided 3 in. Deep 9 "	
Keelson	-	-	{ Sided 8 " Moulded 18 "	} Three in number, with two angle irons at the top and two at the bottom.
Floors	-	-	{ Sided 8 " Moulded 24 "		} About 30 feet long amidships.
Futtocks	-	1st	{ Sided 4 1/2 "	} Reduced to 3 1/2 by 5 in. forward and aft; placed at a distance of 16 in. apart midships. increased to 20 in. forward and aft; double, back to back, in the engine-room, with reverse frames of 3 1/2 by 4 and 1/2 to every frame in the engine-room and every alternate frame forward and aft.
			{ Moulded 6 "	
			2d		{ Sided 4 1/2 "
{ Moulded 6 "				
and top timbers	-	3d	{ Sided 4 1/2 "	
			{ Moulded 6 "	
Stem	-	-	{ Sided 4 "	
			{ Moulded 10 "	
Stern post	-	-	{ Sided 5 to 4 in.	
			{ Moulded 9 "	
Wales	-	-	Thick 2 1/2 x 2 ft. 2 in.	} Overlapped edges and flush butts, double rivetted, throughout the ship.
Bottom plank	-	-	Thick 1 in. 1/2 and 1 1/8	
Topsides	-	-	Thick 1/2 "	
Beams, upper deck	-	-	{ Sided 1/2 in.	} With two angle irons 3 1/2 x 3 on the top, and a half round iron at the bottom.
			{ Moulded 10 "	
„ lower deck	-	-	{ Sided 1/2 " Moulded 10 "	} Ditto.
Upper deck flat thick	-	-	4 "	} Dantzic fir, fastened with iron screws and nuts (tinned).
Lower ditto ditto	-	-	3 1/2 "	} Yellow pine ditto.



Quarter

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 17

Quarter deck and fore-castle beams, 10 by 9 in. Mast and hatchway, oak; remainder, fir. "Indiana.
Ditto flat - - - - - 3 1/2 ,, Yellow pine, fastened with mixed metal.

To state if the beams and framing are properly disposed of for enabling the vessel to be armed as a war steamer, with the size guns (pounders), number of each, and where can be mounted as pivot or broadside guns? She is fitted with ports, and ring and eye-bolts for twenty-six 32-pounder broadside guns on the upper deck, and is sufficiently strong to receive two pivot guns, but not fitted.

	No.		Cwt.	
I should propose	20	32-prs.	25	broadside.
	1	8 in.	65	} pivot.
	1	10 "	85	
	22			

To state how the vessel is fastened, if with treenails or bolt nails, and butt bolts, if iron, copper, or mixed metal; and to report generally on the fastenings of the vessel?

The plates are overlapped edges and flush butts, double riveted throughout, with longitudinal stringers of plate iron, 26 in. by 1/2 in. thick, with angle irons, 5 x 3/4 at each tier of beams, connected at the ends of the vessel by breast hooks, about 16 feet long; and she has seven water-tight bulkheads, with sliding valves to admit water from one to the other.

Also, a detailed report of the general state and equipment of the vessel for the services required?

She is fitted with a small capstan on the fore-castle, and also one on the quarter-deck, and a windlass for the chain cables; she has six good pumps, with three of Downton's; three can be attached to the engines and donkey engine, and used as fire-engines if required. She is built in a very substantial manner, and has a good supply of stores and furniture, and is well adapted for the service for which she is built.

(signed) T. Waterman.

Sir,

Admiralty, 13 September 1852.

In obedience to your directions to survey the engines, boilers, and machinery of the "Indiana," as to her fitness for being employed in carrying Her Majesty's mails between this country, the Cape of Good Hope, and Calcutta, under the contracts of the General Screw Steam Shipping Company, I beg to state that I have surveyed them accordingly, and to report that the engines, which are by Messrs. Maudslay, Sons, & Field, of 300 horse power, are arranged and fitted in the most complete, substantial, and workmanlike manner, and I consider the whole in every respect good and fit for the above service, and in accordance with the terms of the contract.

The Surveyor of the Navy.

I have, &c.
(signed) Robt. Hughes.

Somerset House, 13 December 1852.

FORM to be filled up on the completion of each Steam Vessel for service, whether first fitted, repaired, or newly equipped, by the Engineer Department at the Port where the Works have been performed; the particulars, as to the Dimensions, &c. of the respective parts, to be ascertained by accurate measurement.

(To be forwarded direct to the Comptroller of Steam Machinery.)

General Screw Steam Shipping Company's Vessel, "Indiana."

					Ft.	in.
Draught of water when launched, or before receiving the machinery	- - - - -	{	Forward	- - -	8	0
			Aft	- - -	11	4
Ditto with engines, boilers, masts, and rigging	- - - - -	{	Forward	- - -	9	10
			Aft	- - -	13	0
Ditto load complete, with stores for sea	- - - - -	{	Forward	- - -	15	6
			Aft	- - -	16	7

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"Indiana"

Engines, manufacturer	- - - -	Maudslay, Sons, & Field.
" when new ?	- - - -	1852.
" if old, from what vessel ?	- -	
" date of last thorough repair at a	- - - -	
factory	- - - -	
" horse power (according to Admiralty	- - - -	300
rule)	- - - -	
" description (whether direct, beam,	- - - -	Fixed diagonal cylinders.
oscillating, vertical, horizontal,	- - - -	
&c.)	- - - -	
" number of cylinders	- - - -	Two.
" diameter of cylinder	- - - -	55 inches.
" length of stroke	- - - -	2 feet 6 inches.
Kind of piston	- - - -	Metallic.
Weight of engines	- - - -	84 tons.
" boilers	- - - -	88 "
" water in ditto	- - - -	62 "
" paddle-wheels, or	- - - -	
" screw propeller	- - - -	9½ "
" spare gear	- - - -	
Total weight with all fittings	- - - -	243½ tons (without any spare gear).
Number of revolutions per	- - - -	61.
minute	- - - -	
	- - - -	}
	- - - -	
Mean pressure on the piston by indicator	- - - -	lbs.
	- - - -	lbs.

BOILERS.

Description of boilers	- - - -	Tubular.
Iron or copper	- - - -	Iron.
By whom made	- - - -	Maudslay, Sons, & Field.
When new	- - - -	1852.
Date of last thorough repair, and where per-	- - - -	
formed	- - - -	
Number of separate parts	- - - -	Four.
Height of top of boiler above or below load	- - - -	2 feet.
water line	- - - -	
Tubes, number (total)	- - - -	720.
" length	- - - -	7 feet.
" diameter	- - - -	8 inches outside.
" thickness	- - - -	¼ inch, full.
" iron or brass	- - - -	Iron.
" whether with ferrules or not	- - - -	Not.
Tube plates, thickness	- - - -	⅜ mch.
" distance between tubes	- - - -	1½ "
" iron or brass	- - - -	Iron.
Number of furnaces	- - - -	Twelve.
Length of ditto	- - - -	6 feet.
Breadth of ditto	- - - -	2 feet 6 inches.

Pressure

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 19

Pressure on safety-valve	- - - -	12 lbs.
Number of stoke-holes	- - - -	Two.
Means of ventilation	- - - -	Wind-pipes and hoods.
Number of funnels	- - - -	One.
Diameter of ditto	- - - -	5 feet.
Length of ditto	- - - -	36 feet.
If made to strike, in what manner	- -	Lowered with hinge.
Number of masts	- - - -	Three.
Position of mainmast with relation to funnels	36 feet abaft the centre of funnel.	
Cubic contents of boxes	- - - -	
Quantity of coals that can be stowed in boxes, and of what description	- - - -	} 350 tons.
Ditto, that can be stowed in other parts	- - - -		None, except in bags in fore-hold.
Cubic contents of ditto	- - - -	
What number of pipes are fitted in boxes to ascertain the temperature	- - - -	} None.
	- - - -	

"Indiana"

PADDLE WHEELS.

Description of paddle-wheels	- - - -	
Diameter to the inner edges of outer rim	- - - -	
How much reefed	- - - -	
Total number of paddles in each wheel	- - - -	
Number of paddles on the arm	- - - -	
Breadth of each	- - - -	
Dip or immersion of paddle*	- - - -	{ When tried light, ft. in. When tried deep, ft. in.
Description of disconnecting apparatus	- - - -	
" brakes, or holding ditto	- - - -	
Extreme breadth over paddle-boxes at the spring beams	- - - -	}
Whether fitted with paddle-box boats	- - - -	

SCREW PROPELLER.

Description of screw propeller	- - - -	Feathering (Maudslay's patent).
Diameter of ditto	- - - -	15 feet.
Length (on the line of keel)	- - - -	
Pitch	- - - -	17 feet.
Multiple	- - - -	Direct.
Means for disconnecting the propeller	- - - -	Shaft withdrawn by means of screws.
" for hoisting ditto	- - - -	Blocks and tackle.
Description of distilling apparatus	- - - -	
" of means for turning round the engines when cold	- - - -	} Worm wheel and pinion.
" of any other contrivance under trial	- - - -	

What

* The immersion of the paddles is to be ascertained by careful measurement, at the same time, of both paddle-wheels in smooth water.

20 REPORTS OF SURVEYORS AND ENGINEERS ON SHIPS

"Indiana"

What is the rate of speed, both when at light draught and when deep, ascertained by measured distance, and where tried * } When tried light, nautical miles.
 } When tried deep, nautical miles.

Tried in the Thames, going round to Plymouth; speed estimated at about 10.5 knots per hour.

GENERAL REMARKS on the Extent of Repairs or Alterations of the Machinery and Vessel during her Equipment at the Port.

Injection pipes are fitted from the bilge to the condensers.
 The bilge-pumps are connected by means of suitable pipes and cocks to top of air-pump, in order to assist in freeing it from air, &c., if it should be considered necessary, when the injection water is of a high temperature.
 All the main bearings of the engines and the shafting are lined with soft metal.
 One air-pump only is used for both engines, worked necessarily from the main shaft, with a stroke of 10 inches.

(signed) R. Hughes.

"CALCUTTA."

Admiralty, Somerset House,
 11 October 1852.

"Calcutta."

Sir,
 In obedience to your order of the 21st ultimo, directing me to survey the "Calcutta" iron screw steam ship, built at Blackwall for the General Screw Steam Shipping Company, I beg herewith to forward my report of the survey taken in the River Thames on the 28th ultimo and the 11th instant, and to state that this ship is built in a substantial manner; that her fittings and furniture are very complete; that she is fully equipped in every respect for the conveyance of the mails between this country, the Cape, and Calcutta, and is in accordance with the terms of the contract with this Company.

I have, &c.
 (signed) T. Waterman.

Captain Sir Baldwin Walker, K.C.B.,
 &c. &c. &c.
 Surveyor of the Navy, &c.

REPORT of SURVEY on the "CALCUTTA" Steam Vessel, by Mr. T. Waterman.

When taken?—28th September and 10th October 1852.

Where taken?—River Thames.

	New Rule.		Old Rule.	
	Feet.		Feet.	Inches.
Length from foreside of stem to aftside of post, at the height of the upper deck	244	$\frac{5}{10}$	247	0
Length, keel for tonnage	-	-	-	-
Breadth, extreme (including wales)	-	-	-	-
„ for tonnage	38	$\frac{1}{10}$	39	2
„ moulded	-	-	-	-
Depth in hold (deck to floor)	25	$\frac{4}{10}$	25	3
Tonnage, old rule (builders')?—1,800.				
„ new rule?— $1,272 \frac{5}{10}$; E. R., $580 \frac{11}{100} = 1,852 \frac{11}{100}$.				
„ displacement (if it can be procured)?—2,650.				

Built,

* Indicator cards, originals, are to be attached to this return; taken on the occasions of the trials "light" and "deep," from each engine, top and bottom.
 Cards are likewise to be sent, showing the performance of the engines on each of the grades of expansion.
 A list of the spare gear actually put on board is also to be appended, certified to have been tried in place.

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 21

Built, when launched?—7 July 1852.

“Calcutta.”

„ where?—Blackwall.

„ by whose draught?—C. J. Mare.

„ for what service?—General Screw Steam Ship Navigation Company.

		Feet.		Inches.	
Draught of water when launched - - -	{	Forward - - -	-	-	8 0
		Aft - - -	-	-	11 4
„ „ with engines, boilers, masts and rigging - - -	{	Forward - - -	-	-	12 4
		Aft - - -	-	-	13 7
„ „ load complete, with stores, for sea - - -	{	Forward - - -	-	-	18 6
		Aft - - -	-	-	18 9

Whose engines fitted with, and of what power?—Maudslay, Field & Co.; 300.

Description of boilers?—Tubular.

Diameter of cylinder?—55 inches.

Length of stroke?—Two feet six inches.

Diameter of screw, and of what description?—(Folding) Two blades; diameter, 15 feet 6 inches; pitch, 17 feet; length, 1 foot 11 inches; 4 feet.

Number of revolutions per minute { When light? When deep?—61.

Paddle boards—Length, feet inches; breadth, feet inches; area, feet inches.

Dip or immersion of paddle { When light? When deep?

What is the rate of speed under various circumstances; also, the result of trials which are to be stated?—At a trial in the Lower Hope, with and against tide, weather fine, speed, 10.542 knots.

What quantity of coals the engines require per hour?—30 cwt.

What quantity of coals she will stow in her boxes?—600 tons.

Ditto - - - ditto - - - in other parts?—200 tons.

Quantity of coals on board at load draught of water?—560 tons at trial.

Total complement of officers, 11; men, 75; engineers, 4; stokers, 18; total, 108.

Cables, number and size?—Five- { 2 - 1 1/4 - 105 fathoms. 2 - 1 1/8 - 105 „ 1 - 1 - 105 „

„ Anchors, number and weight?—Seven. { Cwts. qrs. lbs. 2 - 50 0 0 2 - 39 0 0 1 - 14 0 0 1 - 10 0 0 1 - 8 0 0

Boats, number and description?—Seven. { Ft. In. Ft. In. Ft. In. 2 Life boats - 30 3 x 7 7 x 2 9 1/2 1 Cutter - 26 0 x 7 7 x 2 9 1 „ - 26 0 x 7 2 x 2 6 1 „ - 24 0 x 6 0 x 2 5 1 Gig - 24 0 x 5 1 x 2 2 1 Jolly boat - 20 0 x 6 0 x 2 4

Number of persons they will carry?—280.

Guns, number and description?—Two 18-pounders, signals.

Masts and yards (dimensions to be returned on Form No. 301.)

How does she stow her crew, stores, and provisions?—Very well.

What space of hold for cargo in tons, at about 50 cubic feet per ton? } About 900 tons, or 250 troops. What space for troops, the probable number below at 12 superficial feet per man? - - - - - }

22 REPORTS OF SURVEYORS AND ENGINEERS ON SHIPS

"Calcutta,"

Has she a secure place abaft for a magazine and shell-room?—A small magazine, which can be flooded by a valve in the saloon.

Mail-room, if any, and how fitted?—Two, fitted complete, and lined with zinc

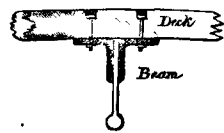
Is her bottom sheathed with copper?—
When last sheathed?— } Built of iron.

„ docked?—6th August 1862.

Lightning conductors?—Fitted complete, on the plan of Sir W. S. Harris.

Scantling of the Frame, &c.

Keel	- -	{ Sided 3 in. Deep 9 "	
Keelson	- -	{ Sided 8 " Moulded 18 "	} Three number, with two angle irons at the top, and two at the bottom.
Floors	- -	{ Sided 8 " Moulded 24 "	} About 30 feet long amidships.
Futtocks -	1st	{ Sided 4 1/2 " Moulded 6 "	} Reduced to 3 1/2 by 5 in. forward and aft ; placed at 16 inches apart midships, increased to 20 inches at the ends of the ship ; double, back to back, in the engine-room, with reverse frames, 3 1/2 x 4 x 1/16 to every frame in engine-room, and every frame forward and aft.
	2d	{ Sided 4 1/2 " Moulded 6 "	
	3d	{ Sided 4 1/2 " Moulded 6 "	
and top timbers		{ Moulded 6 "	
Stem	- -	{ Sided 4 " Moulded 10 "	
Stern post	- -	{ Sided 5 to 4 Moulded 9 "	
Wales	- -	- Thick 2 x 2 ft. 2 in. - - - Two	} Overlapped edges and flush butts double rivetted throughout the ship.
Bottom plank	- -	- Thick 1 1/8 and 1/16	
Topsides	- -	- Thick 1/2 in., shear strake 3/4	
Beams, upper deck	- -	{ Sided 1/2 inch Moulded 10 "	} With two angle irons 3 1/2 x 3 on the top, and half round iron at the bottom.
„ lower deck	- -	{ Sided 1/2 " Moulded 10 "	} Ditto.
Upper deck flat thick	- -	4 "	Dantzic fir } Fastened with iron screws and nuts (tinned).
Lower ditto ditto	- -	3 1/2 "	Yellow pine }
Quarter deck and forecastle	- -	- - -	„ „ } Fastened with mixed metal.
Ditto	- -	- - -	- } 10 in. by 9 in. moulded ; mast and hatchway,
„ beams	- -	- - -	- } oak, remainder, fir



To

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 23

To state if the beams and framing are properly disposed of for enabling the vessel to be armed as a war steamer, with the size guns (pounders), number of each, and where can be mounted as pivot or broadside guns?

She is fitted with ports, and ring and eye-bolts for twenty-six 32-pounder broadside guns on the upper deck, and is sufficiently strong to receive two pivots, but not fitted.

"Calcutta"

I should propose	No.			Cwt.	
	20	-	32-prs.	-	25 broadside.
	1	-	8 in.	-	65 } pivot.
	1	-	10 "	-	85 }
	22				

To state how the vessel is fastened, if with treenails or bolt nails, and butt bolts, if iron, copper, or mixed metal; and to report generally on the fastenings of the vessel?

The plates are overlapped edges and flush butts, double rivetted throughout, with longitudinal stringers of plate iron, 26 in. by 1/4 in. thick, with angle iron, 5 x 3 1/2 at each tier of beams, connected at the ends of the vessel by breast hooks and crutches, about 16 feet long; and has seven water-tight bulkheads, with sliding valves to communicate one compartment with the other.

Also, a detailed report of the general state and equipment of the vessel for the services required.

She is fitted with a small capstan on the fore-castle, and also one on the quarter-deck, and a windlass for the chain cables; she has six good pumps, with three of Downton's; three can be attached to the engines and donkey, and used as fire-engines if required. She is built in a very substantial manner, and has a good supply of stores and furniture, and is well adapted for the service for which she is built.

(signed) T. Waterman.

Woolwich Dockyard, 28 September 1852.

FORM to be filled up on the completion of each Steam Vessel for service, whether first fitted, repaired, or newly equipped, by the Engineer Department at the Port where the Works have been performed; the particulars, as to the Dimensions, &c. of the respective parts, to be ascertained by accurate Measurement.

(To be forwarded direct to the Surveyor of the Navy.)

The General Screw Steam Shipping Company's Vessel "Calcutta."

Draught of water when launched, or before receiving the machinery	Forward	-	-	-	Ft. in.
	Aft	-	-	-	
Ditto with engines, boilers, masts and rigging	Forward	-	-	-	
	Aft	-	-	-	
Ditto load complete, with stores for sea	Forward	-	-	15 3 1/2	
	Aft	-	-	15 8 1/2	
Engines, manufacturer?	Maudslay, Sons, & Field.				
„ when new?	September 1852.				
„ if old, from what vessel?					
„ Date of last thorough repair at a factory					
„ horse power (according to Admiralty rule)	300, at the actual speed of 66 per minute.				
„ description (whether direct, beam, oscillating, vertical, horizontal, &c.)	Direct diagonal.				
„ number of cylinders	Two.				
„ diameter of cylinder	55 inches.				
„ length of stroke	2 feet 6 inches.				

24 REPORTS OF SURVEYORS AND ENGINEERS ON SHIPS

"Calcutta."	Kind of piston - - - - -	Metallic.																
	Weight of engines - - - - -	84 tons.																
	" boilers - - - - -	88 "																
	" water in ditto - - - - -	62 "																
	" paddle-wheels, or - - - - -	-																
	" screw propeller - - - - -	9 tons 17 cwt.																
	" spare gear - - - - -	Not known.																
	Total weight with all fittings - - - - -	243 tons 17 cwt. (exclusive of spare gear.)																
	Number of revolutions per minute - - - - -	<table border="0" style="display: inline-table; vertical-align: middle;"> <tr> <td rowspan="2" style="font-size: 2em; vertical-align: middle;">{</td> <td>When tried light—draft of water</td> <td style="font-size: 1.5em; vertical-align: middle;">{</td> <td>Fore,</td> <td rowspan="2" style="font-size: 2em; vertical-align: middle;">}</td> </tr> <tr> <td></td> <td style="font-size: 1.5em; vertical-align: middle;">{</td> <td>Aft,</td> </tr> <tr> <td rowspan="2" style="font-size: 2em; vertical-align: middle;">{</td> <td>When tried deep—draft of water</td> <td style="font-size: 1.5em; vertical-align: middle;">{</td> <td>Fore, 15 ft. 3 1/2 in.</td> <td rowspan="2" style="font-size: 2em; vertical-align: middle;">}</td> </tr> <tr> <td></td> <td style="font-size: 1.5em; vertical-align: middle;">{</td> <td>Aft, 15 3 1/2 "</td> </tr> </table>	{	When tried light—draft of water	{	Fore,	}		{	Aft,	{	When tried deep—draft of water	{	Fore, 15 ft. 3 1/2 in.	}		{	Aft, 15 3 1/2 "
{	When tried light—draft of water	{		Fore,	}													
		{	Aft,															
{	When tried deep—draft of water	{	Fore, 15 ft. 3 1/2 in.	}														
		{	Aft, 15 3 1/2 "															
	Mean pressure on the piston by indicator - - - - -	<table border="0" style="display: inline-table; vertical-align: middle;"> <tr> <td rowspan="2" style="font-size: 2em; vertical-align: middle;">{</td> <td>When tried light,</td> <td rowspan="2" style="font-size: 2em; vertical-align: middle;">}</td> <td>lbs.</td> </tr> <tr> <td>When tried deep,</td> <td>16 642 lbs. on the square in.</td> </tr> </table>	{	When tried light,	}	lbs.	When tried deep,	16 642 lbs. on the square in.										
{	When tried light,	}		lbs.														
	When tried deep,		16 642 lbs. on the square in.															

BOILERS.

Description of boilers - - - - -	Tubular ; tubes over the furnaces.
Iron or copper - - - - -	Iron.
By whom made - - - - -	Maudslay, Sons, & Field.
When new - - - - -	September 1852.
Date of last thorough repair, and where per- formed - - - - -	}
Number of separate parts - - - - -	Four
Height of top of boiler above or below load water line - - - - -	} 8 feet above.
Tubes, number (total) - - - - -	720.
" length - - - - -	7 feet.
" diameter - - - - -	3 inches.
" thickness - - - - -	1/2 in., full.
" iron or brass - - - - -	Iron.
" whether with ferrules or not - - - - -	Not.
Tube plates, thickness - - - - -	1/16 in.
" distance between tubes - - - - -	1 1/2 in.
" iron or brass - - - - -	Iron.
Number of furnaces - - - - -	Twelve.
Length of ditto - - - - -	8 feet.
Breadth of ditto - - - - -	2 feet 6 inches.
Pressure on safety-valve - - - - -	12 lbs.
Number of stoke-holes - - - - -	Two.
Means of ventilation - - - - -	Hatches.
Number of funnels - - - - -	One.
Diameter of ditto - - - - -	5 feet.
Length of ditto - - - - -	52 feet.
If made to strike, in what manner - - - - -	By a hinge.
Number of masts - - - - -	Three.
Position of mainmast with relation to funnels	31 feet 6 inches.
Cubic contents of boxes - - - - -	28,000 feet.
Quantity of coals that can be stowed in boxes, and of what description - - - - -	} 600 tons.

Quantity

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 25

"Calcutta."

Quantity of coals that can be stowed in other parts - - - - - } 200 tons.
 Cubic contents of ditto - - - - - } 9,600 feet.
 What number of pipes are fitted in boxes to ascertain the temperature - - - - } None.

PADDLE WHEELS.

Description of paddle-wheels - - - -
 Diameter to the inner edge of outer rim -
 How much reefed - - - - -
 Total number of paddles in each wheel -
 Number of paddles on the arm - - - -
 Breadth of each - - - - -
 Dip or immersion of paddle* - - - { When tried light, ft. in.
 { When tried deep, ft. in.
 Description of disconnecting apparatus -
 „ brakes, or holding ditto -
 Extreme breadth over paddle-boxes at the spring beams - - - - -
 Whether fitted with paddle-box boats - -

SCREW PROPELLER.

Description of screw propeller - - - { Brass, feathering, on the plan of the contractors.
 Diameter of - ditto - - - - - 15 feet.
 Length (on the line of keel) - - - - 1 foot 11 inches.
 Pitch - - - - - 17 feet.
 Multiple - - - - - Driven direct.
 Means for disconnecting the propeller - { By removing one piece of the line of shafting, and withdrawing the propeller shaft.
 „ for hoisting - - - ditto - - - Frame and hoisting screw.
 Description of distilling apparatus - -
 „ of means for turning round the engines when cold - - } Worm and wheel.
 „ of any other contrivance under trial
 What is the rate of speed, both when at light draught and when deep, ascertained by measured distance, and where tried † - } When tried light, nautical miles.
 { When tried deep, 10.542 nautical miles; an hour, at Lower Hope.

GENERAL REMARKS on the Extent of Repairs or Alterations of the Machinery and Vessel during her Equipment at the Port.

THE engines, boilers, and propeller are new. Bilge injections are fitted. The spare gear had not been delivered when the engines were tried.

(signed) *R. Taplin*,
 Assistant Inspector of Steam Machinery.

* The immersion of the paddles is to be ascertained by careful measurement, at the same time, of both paddle-wheels in smooth water.

† Indicator cards, originals, are to be attached to this return; taken on the occasions of the trials "light" and "deep," from each engine, top and bottom.

Cards are likewise to be sent, showing the performance of the engines on each of the grades of expansion.

A list of the spare gear actually put on board is also to be appended, certified to have been tried in place.

26 REPORTS OF SURVEYORS AND ENGINEERS ON SHIPS

"Calcutta."

Woolwich Yard, 1 October 1852.

REPORT of TRIAL of the General Screw Steam Shipping Company's Vessel, "CALCUTTA."

(To be forwarded direct to the Surveyor of the Navy.)

When tried	- - - - -	28 September 1852.
Where tried	- - - - -	Lower Hope.
Draught of water	{ Forwards	- - 15 feet 3 $\frac{1}{2}$ inches.
	{ Aft	- - 15 feet 8 $\frac{1}{2}$ inches.
Number of revolutions of the engines	- - - - -	66 per minute.
Pressure on safety-valve	- - - - -	12lbs. per square inch.
Vacuum in condensers	- - - - -	26 inches.
Power, as shown by indicator	- - - - -	790.8 horses.
Speed of the vessel	- - - - -	10.542 knots per hour.

N.B.—Indicator cards are to be attached to this Report; taken during the trial from each engine, top and bottom.

Indicator cards are sent herewith.

REMARKS as to the performance of the Engines, Boilers, &c.

THESE engines worked satisfactorily, and the boilers gave an ample supply of steam during a trial of four hours. The machinery appears to be in accordance with the contract, and fit for service at sea.

(signed) *R. Taplin*,
Assistant Inspector of Steam Machinery.

"Mauritius."

"MAURITIUS."

Admiralty, Somerset House.
23 November 1852.

Sir,

IN obedience to your order of the 11th instant, directing me to survey the "Mauritius" iron screw steam ship, built at Blackwall for the General Screw Steam Shipping Company, I beg herewith to forward my report of the survey taken in the River Thames on the 19th and 22d instant, and to state that this ship is built in a substantial manner; that her fittings and furniture are very complete; that she is fully equipped in every respect for the conveyance of the mails between this country, the Cape and Calcutta, and is in accordance with the terms of the contract with this Company.

I have, &c.

Captain Sir Baldwin W. Walker, K. C. B. (signed) *T. Waterman*.
&c. &c. &c.
Surveyor of the Navy.

REPORT of SURVEY on the "MAURITIUS" Steam Vessel, by Mr. *T. Waterman*.

When taken?—19th and 22d November 1852.

Where taken?—River Thames.

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 27

"Mauritius."

	New Rule.	Feet.	Inches.
Length from foreside of stem to aftside of post, at the height of the upper deck	244 $\frac{4}{10}$	-	247 0
Length, keel for tonnage	-	-	-
Breadth, extreme (including wales)	38 $\frac{1}{10}$	-	-
" for tonnage	-	-	39 2
" moulded	-	-	-
Depth in hold (deck to floor)	25 $\frac{4}{10}$	-	25 3
Tonnage, old rule (builders')?—1,800			
" new rule?—1,359 $\frac{47}{100}$; E. R., 528 $\frac{45}{100}$ = 1,887 $\frac{45}{100}$			
" displacement (if it can be procured)?—2,700.			
Built, when launched?—August 1852.			
" where?—Blackwall.			
" by whose draught?—Mr. C. J. Mare.			
" for what service?—General Screw Steam Shipping Company.			

	Feet.	Inches.
Draught of water when launched	-	-
{ Forward	-	8 1
{ Aft	-	11 4
" with engines, boilers, masts, and rigging	-	-
{ Forward	-	9 10
{ Aft	-	13 1
" load complete, with stores, for sea	-	-
{ Forward	-	19 6
{ Aft	-	18 10

Whose engines fitted with, and of what power?—Bolton & Watt (direct); 300 horse power.

Description of boilers?—Tubular, in four pieces.

Diameter of cylinder?—55 inches.

Length of stroke?—Three feet.

Diameter of screw, and of what description?—Two blades folding; diameter, 15 feet 6 inches; pitch, 19 feet; length, 6 feet 3 inches.

Number of revolutions per minute { When light? When deep?—50.



Paddle boards—Length, feet inches; breadth, feet inches; area, feet inches.

Dip or immersion of paddle { When light? When deep?

What is the rate of speed under various circumstances; also the result of trials which are to be stated?—On her passage down the River, tide, 1 hour ebb, running about two knots; speed - - - - 11,077

Supposed speed - - - 9,077

What quantity of coals the engines require per hour?—21 cwt.

What quantity of coals she will stow in her boxes?—650 tons.

Ditto - - ditto - - in other parts?—

Quantity of coals on board at load draught of water?—650 tons at trial.

Total complement of officers, 11; men, 75; engineers, 4; stokers, 18; total, 108.

Cables, number and size?—Five - { 2 - 1 $\frac{1}{2}$ - 105 fathoms. 2 - 1 $\frac{3}{4}$ - 105 " 1 - 1 - 105 "

Anchors, number and weight?—Seven { Cwt. qrs. lbs. 2 - 50 0 0 2 - 39 0 0 1 - 14 0 0 1 - 10 0 10 1 - 8 0 8 } Rogers.

28 REPORTS OF SURVEYORS AND ENGINEERS ON SHIPS

"Mauritius."

		Ft.	In.	Ft.	In.	Ft.	In.
Boats, number and description?—Seven	2 Life boats	-	30	3 × 7	7 × 2	9	½
	1 Cutter	-	26	0 × 7	7 × 2	9	
	1 "	-	26	0 × 7	2 × 2	6	
	1 "	-	24	0 × 6	0 × 2	5	
	1 Jolly boat	-	20	0 × 6	0 × 2	4	
	1 Gig	-	24	0 × 6	1 × 2	1	

Number of persons they will carry?—280.

Guns, number and description?—Two 18-pounders.

Masts and yards (dimensions to be returned on Form No. 301.)

How does she stow her crew, stores, and provisions?—Very well.

What space of hold for cargo in tons, at about 50 cubic feet per ton?—About 500 tons,

What space for troops, the probable number below, at 12 superficial feet per man?— } About 500 tons, or about 250 troops.

Has she a secure place abaft, for a magazine and shell-room?—A small magazine aft, which can be flooded by a valve in the saloon.

Mail-room, if any, and how fitted?—Two, fitted complete, and lined with zinc.

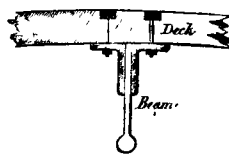
Is her bottom sheathed with copper?— } Built of iron.

When last sheathed?— }
 „ docked?—November 1852.

Lightning conductors?—Fitted complete, on the plan of Sir William Snow Harris.

Scantling of the Frame, &c.

Keel	-	-	{ Sided 3 in. Deep 9 "	
Keelson	-	-	{ Sided ½ " Moulded 18 "	} Three, with two angle irons at the top and two at the bottom.
Floors	-	-	{ Sided ½ " Moulded 2 ft.	} About 30 feet long in midships.
Futtocks	-	1st	{ Sided 4 ½ in. Moulded 6 "	} Reduced to 3 ½ by 5 forward and aft, placed at 16 in. apart midships increased to 20, forward and aft. Double, back to back in engine-room, with reverse frames of 3 ½ × 4 × 7/8 to every frame in the engine-room, and every alternate frame forward and aft.
		2d	{ Sided 4 ½ " Moulded 6 "	
		3d	{ Sided 4 ½ " and top timbers - Moulded 6 "	
Stem	-	-	{ Sided 4 " Moulded 10 "	
Stern post	-	-	{ Sided 5 to 4 in. Moulded 9 in.	
Wales	-	-	- Thick ½ × 2 ft. 2 in., two number	} Overlapped edges and flush butts; double rivetted throughout the ship.
Bottom plank	-	-	- Thick 1 1/8 and garboard, 1 in.	
Topsides	-	-	- Thick ½, shear strake ½	
Beams, upper deck	-	-	{ Sided ½ in. Moulded 10 in.	} With angle iron 3 × 3 ½ in. on the top, and half round iron at the bottom.
" lower deck	-	-	{ Sided ½ in. Moulded 10 in.	} Ditto.



Upper

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 29

Upper deck flat thick	-	4 in.	{ Dantzic fir, fastened with iron screws and nuts (tinned).	"Mauritius."
Lower ditto - ditto	-	3 1/2 "	{ Yellow pine, fastened with iron screws and nuts (tinned).	
Quarter deck beams	-	10 in. by 9	Mast and hatchway, oak; remainder, fir.	
Ditto - ditto flat	-	3 1/2 in.	Yellow pine, fastened with mixed metal.	

To state if the beams and framing are properly disposed of for enabling the vessel to be armed as a war steamer, with the size guns (pounders), number of each, and where can be mounted as pivot or broadside guns?

She is fitted with ports, and ring and eye-bolts for twenty-six 32-pounder broadside guns on the upper deck, and is sufficiently strong to receive two pivots, but not fitted.

	No.		Cwt.
I should propose	-	20 - 32-prs.	- 25 Broadside.
	-	1 - 8 in.	- 65 } Pivot.
	-	1 - 10 "	- 85 }
		22	

To state how the vessel is fastened, if with treenails or bolt nails, and butt bolts, if iron, copper, or mixed metal; and to report generally on the fastenings of the vessel?

The plates are overlapped edges and flush butts, double rivetted throughout, with longitudinal stringers of plate iron, 26 in. by 1/2 in. thick, with angle iron 5 x 3 1/2 at each tier of beams, connected at the ends of the vessel by hooks and crutches, about 16 feet long; and she has seven water-tight bulkheads, with sliding-valves to communicate one compartment with the other.

Also, a detailed report of the general state and equipment of the vessel for the services required.

She is fitted with a small capstan on the fore-castle, and also one on the quarter-deck, and a windlass for the chain cables; she has six good pumps, with three of Downton's; four can be attached to the engines and donkey, and used as fire-pumps. She is built in a very substantial manner, and has a good supply of stores and furniture, and is well adapted for the service for which she is built.

(signed) T. Waterman.

"AUSTRALIAN."

"Australian."

Admiralty, Somerset House,
31 May 1852.

Sir,

In obedience with your orders of the 27th instant, directing me to survey the "Australian" iron screw steam ship, built for the Australian Royal Mail Steam Navigation Company, I beg herewith to forward my report of this ship's survey, taken on the 28th and 29th instant, in the River Thames, and to state that I found this vessel built in a substantial manner, and fitted and equipped with stores and furniture complete, and in every respect fitting to convey the mails between this country and Australia, in accordance with the terms of the contract with this Company, excepting tonnage, armament, and lightning conductors.

I have, &c.

Captain Sir Baldwin Walker, K. C. B.
&c. &c. &c.
Surveyor of the Navy.

(signed) T. Waterman.

REPORT of SURVEY on the "AUSTRALIAN" Steam Vessel, by Mr. T. Waterman.

When taken?—28th and 29th May 1852.

Where taken?—River Thames.

121.

D 3

Length

30 REPORTS OF SURVEYORS AND ENGINEERS ON SHIPS

"Australian."

	New Rule	
	Feet.	Inches
Length from foreside of stem to aftside of post, at the height of the upper deck - - - - -	226	0 $\frac{8}{10}$
Length keel for tonnage - - - - -		
Breadth, extreme (including wales) - - - - -		
" for tonnage - - - - -	33	0 $\frac{6}{10}$
" moulded - - - - -		
Depth in hold (deck to floor) - - - - -	24	0
Tonnage, old rule (builders')?—About 1,250.		
" new rule?— $734 \frac{8}{10}$; E. R., $657 \frac{10}{100} = 1,391 \frac{10}{100}$		
" displacement (if it can be procured)?		

Built, when launched?—February 1852.
 " where?—Dumbarton.
 " by whose draught?—Wm. Denny.
 " for what service?—Australian Royal Mail Steam Navigation Company.

	Feet. Inches.	
Draught of water when launched - . -	{ Forward	7 6
	{ Aft	7 6
" with engines, boilers, masts and rigging - - - - -	{ Forward	10 0
	{ Aft	10 6
" load complete, with stores for sea - - - - -	{ Forward	15 6
	{ Aft	15 6

Whose engines fitted with, and of what power?—Tulloch & Denny; 300.

Description of boilers?—Tubular, in two pieces.

Diameter of cylinder?—64 inches.

Length of stroke?—Four feet six inches.

Diameter of screw, and of what description?—Two-bladed; length, 3 feet; pitch, 18 feet to 19 feet 6 inches; diameter, 14 feet.

Number of revolutions per minute, { When light?
 { When deep?— $27 \frac{1}{2}$ at trial.

Paddle boards—Length, feet inches; breadth, feet inches; area, feet inches.

Dip or immersion of paddle, { When light?
 { When deep?

What is the rate of speed under various circumstances; also, the result of trials which are to be stated?—At four trials in the Lower Hope, with and against tide, 9.91 knots.

What quantity of coals the engines require per hour?—20 cwt.

What quantity of coals she will stow in her boxes?—450 tons.

Ditto - - - ditto - - - in other parts?—None.

Quantity of coals on board at load draught of water?—450 tons at trial.

Total complement of officers, 11; men, 50; engineers, 4; stokers, 18; total, 83.

Cables, number and size?—Three - { 1 - 1 $\frac{7}{8}$ - 200 fathoms.
 { 1 - 1 $\frac{3}{4}$ - 100 "
 { 1 - 1 $\frac{1}{2}$ - 75 "

 Cwts. qrs. lbs.
 Anchors, number and weight?—Six - { 1 - 28 3 3 best bower
 { 1 - 28 0 20 2d best bower
 { 1 - 28 0 6 best sheet
 { 1 - 12 2 0 " stream
 { 1 - 8 0 0 " kedje
 { 1 - 6 0 0 kedje - } by Rogers or Porter.

Boats,

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 31

		Ft.	In.	Ft.	In.	Ft.	In.	"Australian."
Boats, number and description ? -	1 Life boat	-	26	6 × 7	3 × 2	9		
	1 Ditto	-	26	3 × 7	3 × 2	9		
	1 Cutter	-	26	4 × 7	6 × 2	9		
	1 Ditto	-	26	4 × 7	4 × 2	9		
	1 Mail boat	-	24	6 × 6	3 × 2	3		
	1 Jolly boat	-	24	3 × 6	2 × 2	3		

Number of persons they will carry ?—180.

Guns, number and description ?—Two 4-pounders, signals.

Masts and yards (dimensions to be returned on Form No. 301.)

How does she stow her crew, stores, and provisions ?—Very well, under hatches.

What space of hold for cargo, in tons, at about 50 cubic feet per ton ? } 601 tons,
 What space for troops, the probable number below, at 12 superficial } or about
 feet per man ? } 200 number.

Has she a secure place abaft for a magazine and shell-room ?—A small portable magazine, but no shell-room.

Mail-room, if any, and how fitted ?—Fitted complete.

Is her bottom sheathed with copper ?— } Built of iron.

When last sheathed ?—

„ docked ?—February 1852.

Lightning conductors ?—Not fitted with lightning conductors, but has wire rope provided, but not fitted.

Scantling of the Frame, &c.

Keel	-	-	{ Sided 4 in.		
			{ Deep 9 "		
Keelson	-	-	{ Sided 3 "	} Three in number, made of plates, 3 by 9 inches, with angle iron at top and bottom.	
			{ Moulded 9 "		
Floors	-	-	{ Sided 3 "		
			{ Moulded 2 feet at the keel ; 24 feet long.		
Futtocks	-	1st	{ Sided 3 1/2 in.	} With reverse angle irons to every frame ; frames apart, in midships 15 inches, forward and aft 18 inches.	
			{ Moulded 5 "		
		2d	{ Sided 3 1/2 "		
			{ Moulded 5 "		
		3d	{ Sided 3 1/2 "		
		and top timbers	{ Moulded 5 "		
Stem	-	-	{ Sided 4 "		
			{ Moulded 9 "		
Stern post	-	-	{ Sided 4 "		
			{ Moulded 10 "		
Wales	-	-	Thick 3 "		
Bottom plank	-	-	Thick 3 "		
Topsides	-	-	Thick 1/2 "	full.	
Beams, * upper deck	(Fig. 1.)	{ Sided 3 1/2 "	} Single angle iron, excepting the mast and hatchway, which are double.		
		{ Moulded 5 "			
„ † main deck (Fig. 2.)			4 1/2 by 12 in.		
„ ‡ lower deck (Fig. 3.)		{ Sided 4 1/2 in.			
		{ Moulded 12 "			

Upper

* (Fig. 1.)



† (Fig. 2.)



‡ (Fig. 3.)



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"Australian" Upper deck flat thick - - 3 in. }
 Main ditto ditto - - 3 ½ " } Yellow pine, fastened with iron screws.
 Lower ditto ditto - - 3 " }

To state if the beams and framing are properly disposed of for enabling the vessel to be armed as a war steamer, with the size guns (pounders), number of each, and where can be mounted as pivot or broadside guns. Not fitted for guns. The beams and framing of the upper* deck (see Fig. 1, p. 31) and topsides not intended to be made sufficiently strong for guns, consequently would require considerable addition to be armed for war.

To state how the vessel is fastened, if with treenails or bolt nails, and butt bolts, if iron, copper, or mixed metal; and to report generally on the fastenings of the vessel? This vessel is built of iron plates, double rivetted throughout, with overlapped edges and flush butts, and has six water-tight bulkheads, with a plate stringer on the beams at each deck, four feet broad by half an inch thick, connected to the ends of the vessel by hooks or plates of half-inch iron.

Also, a detailed report of the general state and equipment of the vessel for the services required? She is fitted with a windlass and small capstan, and is flush-decked, with a house about seven feet six inches high in the middle part, for officers' cabins, cook-houses, &c.; she has six good pumps, two of which can be used as fire-engines, and connected with the engines; she is substantially built, and is well found in stores and furniture, and well adapted for the service engaged in.

(signed) T. Waterman.

Sir, Admiralty, 31 May 1852.

In compliance with your orders to survey the machinery of the "Australian," as to its fitness to be employed in carrying Her Majesty's mails between this country and Australia, under the contract of the Australian Royal Mail Steam Navigation Company, I beg to report that during the trial the working and general performance of the engines, boilers, &c. were very satisfactory.

The engines are of the nominal power of 300 horses, and fitted throughout in a strong and substantial manner. The average speed of the vessel during four runs at the measured distance in the river was 9.91 knots per hour, the draught of water being 15 ft. 6 in., or nearly the deep-load draught. I beg further to state that the whole is, in my opinion, in accordance with the terms of the contract, and in every respect good and fit for the above service.

The Surveyor of the Navy. I have, &c.
 (signed) Robert Hughes.

Somerset House, 31 May 1852.

FORM to be filled up on the completion of each Steam Vessel for service, whether first fitted, repaired, or newly equipped, by the Engineer Department at the Port where the Works have been performed; the particulars, as to the Dimensions, &c. of the respective parts, to be ascertained by accurate Measurement.

(To be forwarded direct to the Surveyor of the Navy.)

The Australian Royal Mail Steam Navigation Company's Vessel "Australian."

		Ft. In.
Draught of water when launched, or before receiving the machinery - - - -	{ Forward - - - -	7 6
	{ Aft - - - -	7 6
Ditto with engines, boilers, masts and rigging	{ Forward - - - -	10 0
	{ Aft - - - -	10 6
Ditto load complete, with stores for sea	{ Forward - - - -	16 0
	{ Aft - - - -	16 0

Engines,

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 33

Engines, manufacturer	- - - -	Messrs. Tullock & Denny, Dumbarton.	"Australia."
" when new	- - - -	May 1852.	
" if old, from what vessel	- - - -		
" date of last thorough repair at a factory	- - - -		
" horse power (according to Admiralty rule)	- - - -	300 horse power.	
" description, (whether direct, beam, oscillating, vertical, horizontal, &c.)	- - - -	Beam engines. Beams overhead.	
" number of cylinders	- - - -	Two.	
" diameter of cylinder	- - - -	66 inches.	
" length of stroke	- - - -	4 feet 6 inches.	
Kind of piston	- - - -	Metallic packing.	
Weight of engines	- - - -	150 tons.	
" boilers	- - - -	52 ½ "	
" water in ditto	- - - -	37 ½ "	
" paddle-wheels, or	- - - -		
" screw propeller	- - - -		
" spare gear	- - - -		
Total weight with all fittings	- - - -	About 240 tons.	
Number of revolutions per minute	{	When tried light—Draft of water {Fore 15 ft. 6 in. } 28, on trial Aft	
	{	When tried deep—Draft of water {Fore Aft	
Mean pressure on the piston by indicator	{	When tried light, 14.53 lbs. } On trial. When tried deep,	

BOILERS.

Description of boilers	- - - -	Tubular.
Iron or copper	- - - -	Iron.
By whom made	- - - -	Messrs. Tullock & Denny.
When new	- - - -	1852.
Date of last thorough repair, and where performed	- - - -	
Number of separate parts	- - - -	Two.
Height of top of boiler above load water line	- - - -	7 feet 10 inches.
Tubes, number (total)	- - - -	848.
" length	- - - -	6 feet 6 inches.
" diameter	- - - -	3 ¼ inches.
" thickness	- - - -	½ inch.
" iron or brass	- - - -	Brass.
" whether with ferrules or not	- - - -	With ferrules.
Tube plates, thickness	- - - -	¾ inch.
" distance between tubes	- - - -	1 ¼ inch generally.
" iron or brass	- - - -	Iron.
Number of furnaces	- - - -	12.
Length of ditto	- - - -	8 feet 8 inches.
Breadth of ditto	- - - -	Four, 2 ft. 9 ¼ in.; eight, 2 ft. 2 ¼ in.
Pressure on safety-valve	- - - -	14 lbs.
Number of stoke-holes	- - - -	Two.

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"Australian."

Means of ventilation - - - - -	Hatches and windsails.
Number of funnels - - - - -	One.
Diameter of ditto - - - - -	6 feet 1 1/4 inch.
Length of ditto - - - - -	40 feet 6 inches.
If made to strike, in what manner - - -	Fixed.
Number of masts - - - - -	Three.
Position of mainmast with relation to funnels	22 feet 4 inches abaft.
Cubic contents of boxes - - - - -	
Quantity of coals that can be stowed in boxes, } and of what description - - - - - }	450 tons.
Ditto that can be stowed in other parts -	None.
Cubic contents of ditto - - - - -	
What number of pipes are fitted in boxes to } ascertain the temperature - - - - - }	None fitted.

PADDLE WHEELS.

Description of paddle-wheels - - - - -	
Diameter to the inner edge of outer rim -	
How much reefed - - - - -	
Total number of paddles in each wheel -	
Number of paddles on the arm - - - - -	
Breadth of each - - - - -	
Dip or immersion of paddle * - - - - -	{ When tried light, ft. in. When tried deep, ft. in.
Description of disconnecting apparatus -	
„ brakes, or holding ditto -	
Extreme breadth over paddle-boxes at the spring beams - - - - -	
Whether fitted with paddle-box boats - -	

SCREW PROPELLER.

Description of screw propeller - - - - -	Two-bladed.
Diameter of - ditto - - - - -	14 feet.
Length (on the line of keel) - - - - -	3 feet 4 inches.
Pitch - - - - -	18 feet, increasing to 19 feet 6 inches.
Multiple - - - - -	2 1/4 to 1.
Means for disconnecting the propeller - -	Friction coupling.
„ for hoisting the propeller - - - - -	Not made to hoist.
Description of distilling apparatus - - -	None fitted.
„ of means for turning round the engines when cold - - - - - }	Wrought-iron levers, capstan and blocks.
„ of any other contrivance under trial - - - - - }	
What is the rate of speed, both when at light draught and when deep, ascer- tained by measured distance, and where tried ?† - - - - - }	When tried light, 9.91 nautical miles } When tried deep, } On trial.

Tried at the Lower Hope, in the Thames, 29th May 1852.

* The immersion of the paddles is to be ascertained by careful measurement, at the same time, of both paddle wheels in smooth water.
† Indicator cards, originals, are to be attached to this return, taken on the occasions of the trials "light" and "deep," from each engine, top and bottom.
Cards are likewise to be sent, showing the performance of the engines on each of the grades of expansion.
A list of the spare gear actually put on board is also to be appended, certified to have been tried in place.

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 33

GENERAL REMARKS on the Extent of Repairs or Alterations of the Machinery and Vessel, during her Equipment at the Port.

"Australian."

Injection pipes are fitted from the bilge to the condensers.
 The engines are constructed with vertical cylinders and wrought-iron beams overhead. The wheels are made in four parts and stepped.
 Diameter of driving wheels, 10 feet, geared with wood.
 Diameter of pinion, 4 feet. Pitch, 4 inches. Breadth of teeth in each wheel, 8 inches.
 Thickness of wooden cogs - - - - - $2\frac{1}{2}$ in. } Length of teeth, $3\frac{1}{2}$ in.
 " of teeth of pinion - - - - - $1\frac{1}{2}$ " }

One safety-valve is fitted to each boiler, and is constructed that the pressure cannot be increased when the steam is up.

(signed) *Robt. Hughes*

"SYDNEY."

"Sydney."

Admiralty, Somerset House,
 31 July 1852.

Sir,
 In obedience to your order of the 1st instant, directing me to survey the "Sydney" iron screw steam ship, built for the Australian Royal Mail Steam Navigation Company, I beg herewith to forward my report of this ship's survey, taken on the 2d, 6th, and 30th instant, in the River Thames, and to state that this vessel is built in a substantial manner, and her fittings and stores are complete, and that she is fully equipped for the conveyance of the mails between this country and Australia, in accordance with the terms of the contract, excepting tonnage, strength of upper deck, and lightning-conductors.

Captain Sir Baldwin Walker, K. C. B.,
 &c. &c. &c.
 Surveyor of the Navy, &c.

I have, &c.
 (signed) *T. Waterman.*

REPORT of SURVEY on the "SYDNEY" Steam Vessel, by Mr. T. Waterman.

When taken?—2d and 6th July 1852.

Where taken?—River Thames.

	Feet.	In.
Length from foreside of stem to aftside of post, at the height of the upper deck - - - - -	226	$0\frac{1}{16}$
Length keel for tonnage - - - - -		
Breadth, extreme (including wales) - - - - -		
" for tonnage - - - - -	33	$0\frac{1}{16}$
" moulded - - - - -		
Depth in hold (deck to floor) - - - - -	24	$0\frac{1}{16}$

Tonnage, old rule (builders)?—About 1,250

 " new rule?— $734\frac{11}{16}$; engine-room, $657\frac{11}{16}$ = $1,391\frac{11}{16}$

 " displacement (if it can be procured)?

Built, when launched?—May 1852.

 " where?—Dumbarton.

 " by whose draught?—William Denny.

 " for what service?—Australian Royal Mail Steam Navigation Company.

	Feet.	In.
Draught of water when launched - - - - -	7	6
" with engines, boilers, masts and rigging - - - - -	10	0
" load complete, with stores for sea - - - - -	13	0
	14	6

On trial.

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"Sdney."

Whose engines fitted with, and of what power?—Tulloch & Denny; 300 horse.

Description of boilers?—Tubular, in two pieces.

Diameter of cylinder?—66 inches.

Length of stroke?—4 feet 6 inches.

Diameter of screw, and of what description?

Number of revolutions per minute { When light?—Two blades; length, 3 ft. 4 in.; pitch, 18 ft. to 19 ft. 6 in.; diameter, 14 ft.
When deep?—29 1/4.

Paddle boards—Length, feet inches; breadth, feet inches; area, feet inches.

Dip or immersion of paddle { When light?
When deep?

What is the rate of speed under various circumstances; also the result of trials which are to be stated?—At four trials in Lower Hope, with and against tide, weather fine, 10.574 knots.

What quantity of coals the engines require per hour?—22 cwt.

What quantity of coals she will stow in her boxes?—450 tons }
Ditto - - - ditto - - - in other parts?—250 ,, } 700 tons.

Quantity of coals on board at load draught of water?—600 tons on trial.

Total complement of officers, 11; men, 50; engineers, 4; stokers, 18; total, 83.

Cables, number and size?—Three - { 1 - 1 1/4 - 200 fathoms.
1 - 1 1/2 - 100 ,,
1 - 1 3/4 - 75 ,,

Anchors, number and weight?—Six { Cwts. qrs. lbs.
1 - 31 6 8
1 - 29 1 10
1 - 27 0 0
1 - 12 3 0
1 - 8 2 1
1 - 6 0 0

Boats, number and description? - { Ft. In. Ft. In. Ft. In.
2 Life boats - 26 6 x 7 3 x 2 9
2 { Cutters - } 28 6 x 7 6 x 3 0
Life boats - }
1 Mail boat - 26 4 x 6 3 x 2 3
1 Gig - 24 6 x 6 2 x 2 3
1 Whale boat - 27 0 x 5 0 x 2 3

Number of persons they will carry?—220.

Guns, number and description?—Two 4-pounders, signals.

Masts and yards (dimensions to be returned on Form No. 301).

How does she stow her crew, stores, and provisions?—Very well.

What space of hold for cargo in tons, at about 50 cubic feet per ton? } 600 tons,
What space for troops, the probable number below at 12 superficial } or
feet per man? - - - - - } 200 troops.

Has she a secure place abaft for a magazine and shell-room?—A small portable magazine, but no shell-room.

Mail-room, if any, and how fitted?—Fitted complete, and lined with zinc.

Is her bottom sheathed with copper?— } Built of iron.

When last sheathed?—

„ docked?—May 1852.

Lightning conductors?—Not fitted on Sir W. Snow Harris's plan, but has wire rope in lieu.

Scantling of the Frame, &c.

Keel - - - { Sided 4 in.
Deep 9 ,,
Keelson - - - { Sided 8 ,, } Three 1/2 by 9 in., with angle irons at top
Moulded 9 ,, } and bottom.

Floors

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 37

"Sydney."

Floors	- -	{ Sided	½ in.	
		{ Moulded	2 feet at middle, 24 feet long.	
Futtocks	- - 1st	{ Sided	3 ½ in.	} With reverse angle irons to every frame. Ribbs apart, 15 inches midships " 18 " forward and aft.
		{ Moulded	5 "	
	2d	{ Sided	3 ½ "	
		{ Moulded	5 "	
	3d	{ Sided	3 ½ "	
	and top timbers	{ Moulded	5 "	
Stem	- -	{ Sided	4 "	
		{ Moulded	9 "	
Stern post	- -	{ Sided	4 "	
		{ Moulded	10 "	
Wales	- - -	Thick	¾ "	
Bottom plank	- -	Thick	½ "	
Topsides	- - -	Thick	½ " full.	
Beams, *upper deck	(Fig. 1.)	{ Sided	3 ½ "	} Angle iron single, excepting mast and hatch- way, which are double.
		{ Moulded	5 "	
" † main deck	(Fig. 2.)		4 ½ by 12 in.	
" ‡ lower deck	(Fig. 3.)	{ Sided	4 ½ in.	
		{ Moulded	12 "	
Upper deck flat thick	- 3 "		Yellow pine, fastened with iron screws.	
Main deck, ditto	- 3 ½ "		" " "	
Lower deck ditto	- 3 "		" " "	

To state if the beams and framing are properly disposed of for enabling the vessel to be armed as a war steamer, with the size guns (pounders), number of each, and where can be mounted as pivot or broadside guns?

This vessel is not fitted for guns, the framing of the upper* deck (see Fig. 1), and topsides would require being strengthened considerably, to enable her to be made as a war steamer.

To state how the vessel is fastened, if with treenails or bolt nails, and butt bolts, if iron, copper, or mixed metal; and to report generally on the fastenings of the vessel?

Built with iron plates, double rivetted throughout; she has overlapped edges and flush butts, and has six water-tight bulkheads, with a plate stringer on the ends of the beams of each deck, 4 feet by ½ in. thick, connected at the ends of the vessel by plate iron breast hooks ½ in. thick.

Also a detailed report of the general state and equipment of the vessel for the services required.

Fitted with a windlass and small capstan; she is flush-deck built, with a deckhouse about 7 ft. 6 in. high in the middle of the vessel, for officers' cabins, cook-houses, &c. She has six good pumps, two of which can be used as fire-engines, and worked if required by the ship engines.

She is substantially built, and is well found in stores and furniture, and well adapted for the service she is engaged in.

(signed) T. Waterman.

* (Fig. 1.)



Upper Deck Beams.

† (Fig. 2.)



Main Deck Beams.

‡ (Fig. 3.)



Lower Deck Beams.

33 REPORTS OF SURVEYORS AND ENGINEERS ON SHIPS

"Sydney."

Sir,

Admiralty, 12 July 1852.

In compliance with your orders to survey the machinery of the "Sydney," one of the Australian Royal Mail Steam Navigation Company's vessels, as to its fitness for being employed in carrying Her Majesty's mails between this country and Australia, I beg to report that during the trial the working and general performance of the engines, boilers, &c., were very satisfactory.

The engines are of the nominal power of 300 horses, and fitted throughout in a strong and substantial manner; the average speed of the vessel during four runs, at the measured distance in the river, was 10.574 knots per hour, the draught of water being 13 feet forward, and 14 feet 6 inches aft. I beg further to state that the whole is, in my opinion, in accordance with the terms of the contract, and in every respect good and fit for the above service.

I have, &c.

The Surveyor of the Navy.

(signed) Robert Hughes.

Somerset House, 12 July 1852.

FORM to be filled up on the completion of each Steam Vessel for service, whether first fitted, repaired, or newly equipped, by the Engineer Department at the Port where the Works have been performed; the particulars, as to the dimensions, &c. of the respective parts, to be ascertained by accurate Measurement.

(To be forwarded direct to the Comptroller of Steam Machinery.)

The Royal Australian Mail Steam Navigation Company's Vessel "Sydney."

	Ft.	In.
Draught of water when launched, or before receiving the machinery	{ Forward	7 6
	{ Aft	7 6
Ditto with engines, boilers, masts, and rigging	{ Forward	10 0
	{ Aft	10 6
Ditto load complete, with stores for sea	{ Forward	13 0
	{ Aft	14 6
Engines, manufacturer	Messrs. Tullock & Denny, of Dumbarton.	
" when new?	July 1852.	
" if old, from what vessel?		
" date of last thorough repair at a factory		
" horse power (according to Admiralty rule)	300 horse power.	
" description (whether direct, beam, oscillating, vertical, horizontal, &c.)	Beam engines; beams overhead.	
" number of cylinders	Two.	
" diameter of cylinder	66 inches.	
" length of stroke	4 feet 6 inches.	
Kind of piston	Metallic packing.	
Weight of engines	150 tons.	
" boilers	52 ½ tons.	
" water in ditto	37 ½ tons.	
" paddle wheels, or		
" screw propeller		
" spare gear		
Total weight, with all fittings	about 240 tons.	
Number of revolutions per minute	{ When tried light—Draft of water { Fore { Aft } { When tried deep—Draft of water { Fore 13 ft. { Aft 14 ft. 6 in. } 29 ½	
Mean pressure on the piston by indicator	{ When tried light, lbs. { When tried deep, 17.22 lbs.	

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 39

"Sydney."

BOILERS.

Description of boilers - - - - -	Tubular.
Iron or copper - - - - -	Iron.
By whom made - - - - -	Messrs. Tullock & Denny, of Dumbarton.
When new - - - - -	July 1852.
Date of last thorough repair, and where per- formed - - - - -	}
Number of separate parts - - - - -		Two.
Height of top of boiler above or below lead water line - - - - -	} 7 feet 10 inches.
Tubes, number (total) - - - - -		848.
" length - - - - -	6 feet 6 inches.
" diameter - - - - -	3 1/4 inches.
" thickness - - - - -	1/4 inch.
" iron or brass - - - - -	Brass.
" whether with ferrules or not - - - - -	With ferrules.
Tube plates, thickness - - - - -	3/4 inch.
" distance between tubes - - - - -	1 1/2 inch generally.
" iron or brass - - - - -	Iron.
Number of furnaces - - - - -	12.
Length of ditto - - - - -	6 feet 8 inches.
Breadth of ditto - - - - -	} Four, 2 feet 9 1/4 inches; eight, 2 feet 2 1/2 inches.
Pressure on safety-valve - - - - -		14 lbs.
Number of stoke-holes - - - - -	Two.
Means of ventilation - - - - -	Hatches and windsails.
Number of funnels - - - - -	One.
Diameter of ditto - - - - -	6 feet 1 1/4 inch.
Length of ditto - - - - -	40 feet 6 inches.
If made to strike, in what manner - - - - -	Fixed.
Number of masts - - - - -	Three.
Position of mainmast with relation to funnels - - - - -	} 22 feet 4 inches abaft.
Cubic contents of boxes - - - - -	
Quantity of coals that can be stowed in boxes, and of what description - - - - -	} 450 tons - } 600 tons on board during trial.
Ditto that can be stowed in other parts - - - - -		250 tons -
Cubic contents of ditto - - - - -	
What number of pipes are fitted in boxes to ascertain the temperature - - - - -	} None fitted.

PADDLE WHEELS.

Description of paddle-wheels - - - - -	
Diameter to the inner edge of outer rim - - - - -	
How much reefed - - - - -	
Total number of paddles in each wheel - - - - -	
Number of paddles on the arm - - - - -	
Breadth of each - - - - -	
Dip or immersion of paddle * - - - - -	} When tried light, ft. in. When tried deep, ft. in.

* The immersion of the paddles is to be ascertained by careful measurement, at the same time, of both paddle wheels in smooth water

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"Sydney."
 Description of disconnecting apparatus - -
 „ brakes, or holding ditto - -
 Extreme breadth over paddle-boxes at the
 spring beams - - - - -
 Whether fitted with paddle-box boats - -

SCREW PROPELLER.

Description of screw propeller - - - Two-bladed.
 Diameter of - ditto - - - - - 14 feet.
 Length (on the line of keel) - - - 3 feet 4 inches.
 Pitch - - - - - 18 feet, increasing to 19 feet 6 inches.
 Multiple - - - - - 2½ to 1.
 Means for disconnecting the propeller - - Friction coupling.
 „ for hoisting - ditto - - - Not made to hoist.
 Description of distilling apparatus - - None fitted.
 „ of means for turning round the } Wrought-iron levers, capstan and blocks.
 engines when cold - - - }
 „ of any other contrivance under trial }
 What is the rate of speed, both when at light } When tried light, nautical miles.
 draught and when deep, ascertained by }
 measured distance, and where tried *- } When tried deep, 10.574 nautical miles.

Tried at the Lower Hope, in the Thames, 6th July 1852.

GENERAL REMARKS on the Extent of Repairs or Alterations of the Machinery and Vessel during her Equipment at the Port.

Injection pipes are fitted from the bilge to the condensers.
 The engines are constructed with vertical cylinders and wrought-iron beams overhead. The wheels are made in four parts and stepped; for the dimensions, see "Australian" Form page 32). The safety-valve is fitted to each boiler, and so constructed that the pressure cannot be increased when the steam is up. Consumption of coal per hour about 22 cwt.

(signed) R. Hughes.

"Melbourne," late
 "Greenock."

"MELBOURNE," late "GREENOCK."

Admiralty, Somerset House,
 30 September 1852.

Sir,

In obedience to your order of the 16th instant, directing me to survey the "Greenock" (now "Melbourne") iron screw steam ship, as to her fitness for the conveyance of the mails between this country and Australia, I beg herewith to forward my report of the survey, taken in the River Thames on the 18th and 28th instant, and to state that she is a very substantial and well-built vessel and in good condition.

Her fittings, furniture, and stores are complete, and she is fully equipped for the conveyance of the mails, in accordance with the terms of the contract with this company, excepting the horse-power being 250 instead of 300, as reported by the surveying officer of engineers.

I have, &c.
 (signed) T. Waterman.
 Captain Sir Baldwin Walker, K. C. B.,
 &c. &c. &c.
 Surveyor of the Navy.

* Indicator cards, originals, are to be attached to this return; taken on the occasions of the trials "light" and "deep," from each engine, top and bottom.
 Cards are likewise to be sent, showing the performance of the engines on each of the grades of expansion.
 A list of the spare gear actually put on board is also to be appended, certified to have been tried in place.

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 41

REPORT of SURVEY on the "MELBOURNE," (late "GREENOCK") Steam Vessel,
by Mr. T. Waterman.

"Melbourne," late
"Greenock."

When taken?—18th and 28th September 1852.

Where taken?—River Thames.

	Feet.	Inches.
Length from foreside of stem to aftside of post, at the height of the upper deck	213.	0
Length keel for tonnage	190.	6 $\frac{1}{2}$
Breadth, extreme (including wales)		
" for tonnage	37	4 $\frac{1}{2}$
" moulded		
Depth in hold (deck to floor)	23	0 $\frac{1}{2}$
Tonnage, old rule (builders')?—1,418 $\frac{3}{4}$.		
" new rule?		
" displacement (if it can be procured)?		

Built, when launched?—1849.

 " where?—Greenock.

 " by whose draught?—Scott & Sinclair.*

 " for what service?—Admiralty.

	Feet.	Inches.
Draught of water when launched		
{ Forward	8	8
{ Aft	9	7
" with engines, boilers, masts, and rigging		
{ Forward		
{ Aft		
" load complete, with stores for sea	16	0
{ Forward	16	9
{ Aft		

Whose engines fitted with, and of what power?—Rennie; 250 horse-power.

Description of boilers?—Tubular, in four pieces.

Diameter of cylinder?—52 inches.

Length of stroke?—Three feet.

Diameter of screw, and of what description?—Diameter 12 feet.

Number of revolutions { When light?
per minute - { When deep?—49 on trial. See Engineer's Report.

Paddle boards—Length, feet inches; breadth, feet inches; area, feet inches.

Dip or immersion of paddle { When light?
 { When deep?

What is the rate of speed under various circumstances; also the result of trials which are to be stated?—At a trial in the Thames, with and against tide, speed about 8 $\frac{1}{2}$ knots.

What quantity of coals the engines require per hour?—20 to 25 cwt.

What quantity of coals she will stow in her boxes?—333 tons.

 Ditto - - - ditto - - - in other parts?—232 tons.

Quantity of coals on board at load draught of water?—565 tons at trial.

Total complement of officers, 6; men, 35; engineers, 6; stokers, 16; total, 64.

Cables, number and size?—Three - { 2 - 2 $\frac{1}{2}$ - 150 fathoms.
 { 1 - 1 $\frac{1}{2}$ - 110 "

 Cwts. qrs. lbs.
Anchors, number and weight?—Six - { 1 - 46 0 10
 { 1 - 46 0 0
 { 1 - 44 0 0
 { 1 - 15 0 0
 { 1 - 8 0 0
 { 1 - 7 0 5

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"Melbourne," late
"Greenock."

		Ft.	In.	Ft.	In.	Ft.	In.
Boats, number and description?—Eight	{ 1 Long boat	- 30	0 × 9	0 × 3	0		
	{ 1 Mail „	- 27	0 × 8	0 × 2	10		
	{ 2 Life „	- 26	0 × 7	4 × 2	6		
	{ 2 Cutters	- 28	0	7	6 × 2	10	
	{ 1 Gyg --	- 24	0	6	0 × 2	2	
	{ 1 Jolly boat	- 18	0 × 5	6 × 2	4		

Number of persons they will carry?—About 300.

Guns, number and description? {Four 9-pounders } Signals, &c.
{One 5-pounder }

Masts and yards (dimensions to be returned on Form Number 301.)

How does she stow her crew, stores, and provisions?—Very well.

What space of hold for cargo in tons, at about 50 cubic feet per ton? } 20 tons,
What space for troops, the probable number below at 12 superficial feet } or about
per man? } 100 troops.

Has she a secure place abaft for a magazine and shell-room?—A magazine and shell-room complete.

Mail-room, if any, and how fitted?—Fitted complete, and lined with zinc.

Is her bottom sheathed with copper?— } Built of iron.
When last sheathed?— }

„ docked?—3d September 1852.

Lightning conductors?—Fitted complete on the plan of Sir W. Snow Harris.

Scantling of the Frame, &c.

Keel	- - -	{ Sided 4 ½ in. Deep 9 „	
Keelson	- - -	{ Sided ½ by 16 in., five number. Moulded, lined with teak.	
Floors	- - -	{ Sided 3 ½ in. × 6 ½ in. Moulded 21 in.	
Futtocks	- - -	1st { Sided 3 ½ „ Moulded 6 „	12 in. apart midships, 15 in. forward and aft, with reversed angle iron 5 × 3 ½ × ½ and 4 × 3 ½ × ½ to every alternate frame to the upper deck.
		2d { Sided 3 ½ „ Moulded 6 „	
		3d Sided 3 ½ „	
		and top timbers Moulded 6 „	
Stem	- - -	{ Sided 6 ½ to 4 to 3 ½ Moulded 10 ½ in.	
Stern post	- - -	{ Sided 6 ½ to 3 ½ in. Moulded 10 ½ „	
Wales	- - -	Thick ½ to ½ 4 ft. 6 in. broad.	
Bottom plank	- - -	Thick ½ to ½ to ½.	
Topsides	- - -	Thick ⅞	
Beams, spar, upper deck	- - -	{ Sided 11 in. Moulded 9 „	African oak.
„ lower or main deck	- - -	{ Sided 11 „ Moulded 10 „	African oak.
Upper or spar deck flat	thick 4 „		Memel fir, fastened with mixed metal.
Lower or main do. do.	4 „		Memel fir, fastened with mixed metal

Orlop

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 43

Orlop deck - - - 3 in.

Fir, fastened with iron.

"Melbourne," lat-
"Greenock."

„ „ beams, iron 6 x 3 1/2 x 1/2 in.



To state if the beams and framing are properly disposed of for enabling the vessel to be armed as a war steamer, with the size guns (pounders), number of each, and where can be mounted as pivot or broadside guns?

This vessel being built and fitted for the Admiralty, her beams are sufficiently strong to enable her to be fitted for

No.	Pr.
8	32 broadside.
2	68 pivot.
<u>10</u>	

To state how the vessel is fastened, if with treenails or bolt nails, and butt bolts, if iron, copper, or mixed metal; and to report generally on the fastenings of the vessel?

She has overlapped edges and flush butts, double rivetted. She has stringers to each tier of beams 21 in. by 5 by 3 1/2 and 16 in. by 5, with hooks and crutches to connect them at the extremities of the ship, and has six water-tight bulkheads.

Also, a detailed report of the general state and equipment of the vessel for the services required.

This vessel is now fitted with a quarter deck and forecabin, and has six good pumps, two of which can be used as fire-engines, and is in every respect well fitted and a substantial and well-built vessel.

(signed) T. Waterman.

Sir,

Admiralty, 24 September 1852.

In obedience to your order of the 16th instant, to survey the machinery of the "Greenock" as to its fitness for being employed in carrying Her Majesty's mails between this country and Australia, under the contract with the Australian Royal Mail Steam Navigation Company, I have the honour to report that I have surveyed it accordingly, and must say that a more excellent working pair of engines could not, in my opinion, be found. The boilers kept up steam very well at about 12 lbs. pressure, and the speed at the measured mile was 8.755 knots, and power developed about 600 horses.

I must here beg to observe that the nominal power as specified in the contract should be 300 horses, while that of "Greenock" is 250 only.

Surveyor of the Navy.

I am, &c.
(signed) J. Dinnen.

Woolwich Dockyard, 20 September 1852.

FORM to be filled up on the completion of each Steam Vessel for service, whether first fitted, repaired, or newly equipped, by the Engineer Department at the Port where the Works have been performed; the particulars, as to the Dimensions, &c. of the respective parts, to be ascertained by accurate Measurement.

(To be forwarded direct to the Surveyor of the Navy.)

Her Majesty's Steam Ship "Greenock."

Draught of water when launched, or before receiving the machinery	- - - -	{ Forward
		{ Aft
Ditto with engines, boilers, masts, and rigging	- - - -	{ Forward
		{ Aft
Ditto load complete, with stores for sea	- - - -	{ Forward, 15 feet 3 inches.
		{ Aft, 15 feet 9 inches.
Engines, manufacturer	- - - -	Messrs. G. & J. Rennie.
„ when new?	- - - -	1852.
„ if old, from what vessel?	- - - -	In no other vessel.
121.		F 2

Engines,

44 REPORTS OF SURVEYORS AND ENGINEERS ON SHIPS

"Melbourne," late "Greenock."	Engines, date of last thorough repair at a factory - - - - - }	
"	horse power (according to Admiralty rule) - - - - - }	150·7 H. P.
"	description, (whether direct, beam, oscillating, vertical, horizontal, &c.) - - - - - }	Horizontal, direct.
"	number of cylinders - - - - -	Two.
"	diameter of cylinder - - - - -	50½ inches.
"	length of stroke - - - - -	3 feet.
Kind of piston - - - - -		Metallic.
		Tons. cwt. qrs. lbs.
Weight of engines - - - - -		52 17 2 7
" boilers - - - - -		61 1 1 12½
" water in ditto - - - - -		38 15 0 0
" coal-boxes - - - - -		12 8 1 9½
" screw propeller, shafts, &c. - - - - -		8 0 0 3
" spare gear, not delivered by con- tractors - - - - - }		10 19 3 5 (Sundries).
Total weight with all fittings - - - - -		184 2 0 9½
Number of revolutions per minute - - - - -	When tried light—draft of water {Fore Aft } When tried deep—draft of water {Fore, 15 ft. 3 in. Aft, 15 ft. 9 in. } 46.	
Mean pressure on the piston by indicator	When tried light, lbs. When tried deep, 18·007 lbs. on the square inch.	

BOILERS.

Description of boilers - - - - -	Tubular.
Iron or copper - - - - -	Iron.
By whom made - - - - -	Messrs. Rennie.
When new - - - - -	1862.
Date of last thorough repair, and where performed - - - - - }	
Number of separate parts - - - - -	Four.
Height of top of boiler above or below load water line - - - - - }	Three inches below.
Tubes, number (total) - - - - -	960.
" length - - - - -	6 feet.
" diameter - - - - -	2¼ inches.
" thickness - - - - -	11 and 13 wire gauge.
" Iron or brass - - - - -	Brass.
" Whether with ferrules or not - - - - -	Ferrules.
Tube plates, thickness - - - - -	¾ inch.
" distance between tubes - - - - -	3½ inches from centre to centre.
" Iron or brass - - - - -	Iron.
Number of furnaces - - - - -	Twelve.
Length of ditto - - - - -	6 feet 7 inches.
Breadth of ditto - - - - -	2 feet 2½ inches.
Pressure on safety-valve - - - - -	12 lbs.
Number of stoke-holes - - - - -	Two.

Means

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 45

Means of ventilation - - - - -	Hatchways over stoke-holes.	"Melbourne" late
Number of funnels - - - - -	One.	"Greenock."
Diameter of ditto - - - - -	5 feet 2 inches in the smallest part.	
Length of ditto - - - - -	43 feet 6 inches from top of the fire bars.	
If made to strike, in what manner - - -	Telescopic.	
Number of masts - - - - -	Three.	
Position of mainmast with relation to funnels	41 feet 5 inches abaft.	
Cubic contents of boxes - - - - -	14,016 feet.	
Quantity of coals that can be stowed in } boxes, and of what description - - }	292 tons.	
Ditto that can be stowed in other parts -	10,752 feet.	
Cubic contents of ditto - - - - -	224.	
What number of pipes are fitted in boxes } to ascertain the temperature - - }	None.	

PADDLE WHEELS.

Description of paddle-wheels - - -			
Diameter to the inner edge of outer rim -			
How much reefed - - - - -			
Total number of paddles in each wheel -			
Number of paddles on the arm - - -			
Breadth of each - - - - -			
Dip or immersion of paddle* - - -	{ When tried light,	ft.	in.
	{ When tried deep,	ft.	in.
Description of disconnecting apparatus -			
" brakes, or holding ditto - - -			
Extreme breadth over paddle-boxes at the spring beams - - - - -			
Whether fitted with paddle-box boats? -			

SCREW PROPELLER.

Description of screw propeller - - -	Of uniform pitch.		
Diameter of - - ditto - - - - -	13 feet.		
Length (on the line of keel) - - - - -	1 foot 6 inches.		
Pitch - - - - -	9 feet.		
Multiple - - - - -	Two.		
Means for disconnecting the propeller - -	Thrust-block.		
" for hoisting - - - ditto, - - -	Screws.		
Description of distilling apparatus - - -			
" of means for turning round the } engines when cold - - }	Worm and wheel.		
" of any other contrivance under } trial - - - - - }			
What is the rate of speed, both when at light } draught and when deep, ascertained by } measured distance, and where tried? † - }	When tried light,	When tried deep,	8.755 nautical miles, at.
	"Long Reach."		

* The immersion of the paddles is to be ascertained by careful measurement, at the same time, of both paddle-wheels in smooth water.

† Indicator cards, originals, are to be attached to this return; taken on the occasions of the trials "light" and "deep," from each engine, top and bottom.

Cards are likewise to be sent, showing the performance of the engines on each of the grades of expansion.

A list of the spare gear actually put on board is also to be appended certified to have been tried in place

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“Melbourne,” late
“Greenock.” GENERAL REMARKS on the Extent of Repairs or Alterations of the Machinery and Vessel during her Equipment at the Port.

The engines and boilers are new.
The boilers are clothed; the wood and felt are Burnettized.
Bilge injections are fitted.
The spare gear has not been delivered by the contractors.

J. Trickett,
For Chief Engineer.

R. Tuplin,
Assistant Inspector of Steam Machinery.

“Adelaide.”

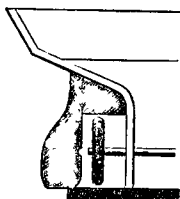
“ADELAIDE.”

Admiralty, Somerset House,
8 December 1852.

Sir,

IN obedience to your order of the 3d ultimo, directing me to survey the “Adelaide” iron screw steam ship, built at Millwall for the Australian Royal Mail Steam Navigation Company, I beg herewith to forward my report of this survey, taken on the 20th ultimo and the 9th instant in the River Thames, and to state that this vessel is built in a substantial manner; that her fittings and stores are complete, that she is fully equipped in every respect for the conveyance of the mails between this country and Australia, in accordance with the terms of the contract with this country.

N. B.—This vessel has no rudder port, her rudder stepping on the after part of the keel, with pintles and braces only at the head, similar to that of “Great Britain,” and not as the general mode now in practice.



Captain Sir B. W. Walker, K.C.B.,
&c. &c. &c.
Surveyor of the Navy, &c.

I have, &c.
(signed) *T. Waterman.*

REPORT of SURVEY on the “ADELAIDE” Steam Vessel by Mr. *T. Waterman.*

When taken?—20th November and 8th December 1852.

Where taken?—River Thames.

	Feet.	Feet.	Inches.
Length from foreside of stem to aftside of post, at the height of the upper deck	260 $\frac{5}{10}$	263	4
Length keel for tonnage		239	0
Breadth, extreme (including wales)		38	2
„ for tonnage	36 $\frac{3}{10}$	38	2
„ moulded		38	0
Depth in hold (deck to floor)	25 $\frac{1}{10}$	25	7
Tonnage, old rule (builders')?—1852.			
„ new rule?—1124 $\frac{3}{10}$; E. R., 735 $\frac{1}{10}$ = 1859 $\frac{1}{10}$			
„ displacement (if it can be procured)?—3,000.			

Built,

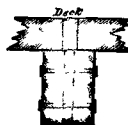
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" Adelaide "

Mail-room, if any, and how fitted ?—Fitted very complete with racks and lined with zinc.
 Is her bottom sheathed with copper ?— } Built of iron.
 When last sheathed ?
 „ docked ?—November 1852.
 Lightning conductors ?—Fitted complete, on the plan of Sir W. Snow Harris.

Scantling of the Frame, &c.

Keel plate	-	{ Sided 24 in. by 1 in. Deep	
Keelson	-	{ Sided 24 in. by 14 in., $\frac{1}{4}$ in. plate. Moulded	
Floors	-	{ Sided $\frac{1}{2}$ in. Moulded 24 „	} About 26 feet long.
Frames	-	1st { Sided 3 „ Moulded 5 „ by $\frac{1}{2}$ in.	} With reverse irons, 3 by 3 x $\frac{1}{2}$.
		2d { Sided 3 „ Moulded 5 „ „ $\frac{1}{2}$ „	
		3d { Sided 3 „ Moulded 5 „ „ $\frac{1}{2}$ „	
and top timbers		{ Moulded 5 „ „ $\frac{1}{2}$ „	
Stem	-	{ Sided 3 „ Moulded 9 „	
Stern post	-	{ Sided 4 „ Moulded 10 „	
Wales	-	- Thick 1 „	broad, 36 in.
Bottom plank	-	- Thick 1 „	to $\frac{1}{2}$.
Topsides	-	- Thick $\frac{1}{2}$ „	to $\frac{5}{8}$.
Beams, upper deck	{	Sided 8 „ teak. Moulded 8 „	
„ lower deck	{	Sided 12 „ Moulded 13 „	} Made with an iron plate, and wood plank, thus,



Upper deck flat thick - 3 „ Yellow pine, fastened with iron nails (tinned).
 Lower do. do. - 3 „ „ „ „

To state if the beams and framing are properly disposed of for enabling the vessel to be armed as a war steamer, with the size guns (pounders), number of each, and where can be mounted as pivot or broadside guns?
 This vessel is not fitted for guns, but the beams and framing are sufficiently strong to enable her to carry the following armament, by removing the cabins, fore-castle, and part of the deck-house, and strengthening the waist in wake of guns.

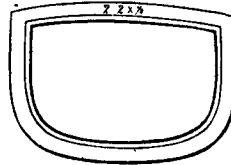
No.		Cwt.
20	- - - 32-prs.	- - 25 broadside.
2	- - - 8 in.	- - 65 pivot.
Total - - - 22		

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 49

To state how the vessel is fastened, if with treenails or bolt nails, and butt bolts, if iron, copper, or mixed metal; and to report generally on the fastenings of the vessel?

The plates are overlapped edges and flush butts, single rivetted throughout, strengthened by a number of transverse and longitudinal bulkheads and plates on the beams, 2 feet 2 inches by $\frac{1}{2}$ inch thick, connected to the side by angle irons, and at the ends of the ship by plates or breast hooks, half-inch thick, also by internal transverse plates 2 feet 2 inches x $\frac{1}{2}$ inch, with double angle iron at top and bottom, at about 30 feet apart.

"Adelaide."



Also, a detailed report of the general state and equipment of the vessel for the services required?

This vessel is fitted with a small capstan on the fore-castle, and one abaft, also with a windlass for the chain cables; she has six good pumps on deck, including four of Downton's, and bilge-pumps connected with the engine, together 12 number, well supplied with hoses, and is built and fitted complete.

(signed) T. Waterman.

Sir,

Admiralty, 7 December 1852.

In obedience to your directions to survey the engines, boilers, and machinery of the "Adelaide" Royal Australian Mail Steam Navigation Company's ship as to their fitness for being employed in carrying the mails under the contract with that company, I beg to report that on the trial of that vessel the performance of the machinery was in every way satisfactory. The boilers supplied an abundance of steam. The average speed of the ship during four runs, at the measured knot, Lower Hope, was 11.526 knots.

The whole is in accordance with the conditions of the contract, and in every respect good and fit for the above service.

The Surveyor of the Navy.

I have, &c.

(signed) Robt. Hughes.

Somerset House, 7 December 1852.

FORM to be filled up on the completion of each Steam Vessel for service, whether first fitted, repaired, or newly equipped, by the Engineer Department at the Port where the Works have been performed; the particulars, as to the Dimensions, &c. of the respective parts, to be ascertained by accurate Measurement.

(To be forwarded direct to the Comptroller of Steam Machinery.)

Australian Royal Mail Steam Navigation Company's Ship, "Adelaide."

	Ft.	In.
Draught of water when launched, or before receiving the machinery	{ Forward	
	{ Aft	
Ditto with engines, boilers, masts and rigging,	{ Forward	10 0
	{ Aft	
Ditto load complete, with stores for sea	{ Forward	18 0
	{ Aft	
Engines, manufacturer	J. Scott Russell & Co.	
„ when new?	November 1852.	
„ if old, from what vessel		
„ date of last thorough repair at a factory		
„ horse power (according to Admiralty rule)	450.	
„ description (whether direct, beam, oscillating, vertical, horizontal, &c.)	Direct, inclined, oscillating.	

121.

G

Engines,

50 REPORTS OF SURVEYORS AND ENGINEERS ON SHIPS

"Adelaide."	Engines, number of cylinders - - -	Four.																
	" diameter of cylinder - - -	48 inches.																
	" length of stroke - - -	2 feet 9 inches.																
	Kind of piston - - -	Metallic ring, with hemp packing.																
	Weight of engines - - -	134 tons 0 cwt.																
	" boilers - - -	86 " 10 "																
	" water in ditto - - -	67 " 16 "																
	" paddle-wheels, or - - -																	
	" screw propeller - - -	5 " 11 "																
	" spare gear - - -	14 " 0 "																
	Total weight with all fittings - - -	307 " 17																
	Number of revolutions per minute - - -	<table border="0" style="display: inline-table; vertical-align: middle;"> <tr> <td rowspan="2" style="font-size: 2em; vertical-align: middle;">{</td> <td>When tried light—draft of water</td> <td rowspan="2" style="font-size: 2em; vertical-align: middle;">}</td> <td>Fore - 7 ft. 6 in.</td> </tr> <tr> <td></td> <td>Aft - 15 " 2 "</td> </tr> <tr> <td colspan="3"></td> <td style="text-align: right;">60.</td> </tr> <tr> <td rowspan="2" style="font-size: 2em; vertical-align: middle;">{</td> <td>When tried deep—draft of water</td> <td rowspan="2" style="font-size: 2em; vertical-align: middle;">}</td> <td>Fore</td> </tr> <tr> <td></td> <td>Aft</td> </tr> </table>	{	When tried light—draft of water	}	Fore - 7 ft. 6 in.		Aft - 15 " 2 "				60.	{	When tried deep—draft of water	}	Fore		Aft
{	When tried light—draft of water	}		Fore - 7 ft. 6 in.														
			Aft - 15 " 2 "															
			60.															
{	When tried deep—draft of water	}	Fore															
			Aft															
	Mean pressure on the piston by indicator -	<table border="0" style="display: inline-table; vertical-align: middle;"> <tr> <td rowspan="2" style="font-size: 2em; vertical-align: middle;">{</td> <td>When tried light,</td> <td rowspan="2" style="font-size: 2em; vertical-align: middle;">}</td> <td>lbs.</td> </tr> <tr> <td>When tried deep,</td> <td>lbs.</td> </tr> </table>	{	When tried light,	}	lbs.	When tried deep,	lbs.										
{	When tried light,	}		lbs.														
	When tried deep,		lbs.															

BOILERS.

Description of boilers - - -	Tubular.
Iron or copper - - -	Iron.
By whom made - - -	J. Scott Russell & Co.
When new - - -	November 1852.
Date of last thorough repair, and where performed - - -	
Number of separate parts - - -	Four.
Height of top of boiler above or below load water line - - -	2 ft. 6 in. below load water line.
Tubes, number (total) - - -	1,536.
" length - - -	6 feet.
" diameter - - -	3 inches.
" thickness - - -	No. 12 wire gauge.
" iron or brass - - -	Brass.
" whether with ferrules or not - - -	Without.
Tube plates, thickness - - -	1½ in.
" distance between tubes - - -	1 inch.
" iron or brass - - -	Iron.
Number of furnaces - - -	Twenty.
Length of ditto - - -	6 feet 6 inches.
Breadth of ditto - - -	3 feet.
Pressure on safety-valve - - -	15 lbs.
Number of stoke-holes - - -	Two.
Means of ventilation - - -	Open up to deck with grating.
Number of funnels - - -	Two.
Diameter of ditto - - -	5 feet.
Length of ditto - - -	40 feet.
If made to strike, in what manner - - -	Fixed.
Number of masts - - -	Four.
Position of mainmast with relation to funnels - - -	50 feet forward.
Cubic contents of boxes - - -	22,500 cubic feet.

Quantity

CARRYING THE MAILS TO CALCUTTA AND AUSTRALIA. 51

Quantity of coals that can be stowed in boxes, and of what description - - - - -	} 500 tons, West Hartley.	"Adelaide."
Ditto that can be stowed in other parts - - - - -	500 tons.	
Cubic contents of ditto - - - - -	22,500 cubic feet.	
What number of pipes are fitted in boxes to ascertain the temperature - - - - -	} None.	

PADDLE WHEELS.

Description of paddle-wheels - - - - -			
Diameter to the inner ridge of outer rim - - - - -			
How much reefed - - - - -			
Total number of paddles in each wheel - - - - -			
Number of paddles on the arm - - - - -			
Breadth of each - - - - -			
Dip or immersion of paddle* - - - - -	{ When tried light,	ft.	in.
	{ When tried deep,	ft.	in.
Description of disconnecting apparatus - - - - -			
„ Brakes, or holding ditto - - - - -			
Extreme breadth over paddle boxes at the spring beams - - - - -			
Whether fitted with paddle-box boats - - - - -			

SCREW PROPELLER.

Description of screw propeller - - - - -	Two-threaded.
Diameter of - - ditto - - - - -	15 feet.
Length (on the line of keel) - - - - -	3 feet 6 inches.
Pitch - - - - -	22 feet.
Multiple - - - - -	
Means for disconnecting the propeller - - - - -	Friction brake.
„ for hoisting - - - ditto - - - - -	
Description of distilling apparatus - - - - -	A cylinder fitted with pipes.
„ of means for turning round the engines when cold - - - - -	{ Worm wheel and screw.
„ of any other contrivance under trial - - - - -	
What is the rate of speed, both when at light draught and when deep, ascertained by measured distance, and where tried † - - - - -	{ When tried light, 11.526 nautical miles.
	{ When tried deep, nautical miles.

GENERAL REMARKS on the Extent of Repairs or Alterations of the Machinery and Vessel during her Equipment at the Port.

Each pair of cylinders works on one crank pin, the intermediate shaft having no third or outer bearing.

The propeller is of cast iron and overhangs the bearing in the foremost stern post. The aperture for the screw is quite open, there being only the spindle of the rudder and no after stern post; the safety of this arrangement is questionable.

There are no means for unshipping or lifting the propeller.

Two small cylinders are adapted for working the slide-valves.

Injection pipes are fitted from the bilge to the condensers.

(signed) . Robt. Hughes.

* The immersion of the paddles is to be ascertained by careful measurement, at the same time, of both paddle-wheels in smooth water.

† Indicator cards, originals, are to be attached to this return, taken on the occasions of the trials "light" and "deep," from each engine, top and bottom.

Cards are likewise to be sent, showing the performance of the engines on each of the grades of expansion.

A list of the spare gear actually put on board is also to be appended, certified to have been tried in place.

MAILS TO CALCUTTA AND AUSTRALIA.

REPORTS of the SURVEYORS and ENGINEERS appointed by the Admiralty to Inspect and Report upon the SHIPS employed by the GENERAL SCREW STEAM COMPANY to carry the Mails to Calcutta, and upon those employed by the AUSTRALIAN STEAM NAVIGATION COMPANY to carry the Mails to Australia; &c.

(Mr. Rich.)

*Ordered, by The House of Commons, to be Printed,
14 February 1853.*

[*Price 6d.*]

121.

Under 8 cv.

CONTRACT PACKETS.

REPORT

OF THE

COMMITTEE

ON

CONTRACT PACKETS.

WITH APPENDICES.

Presented to both Houses of Parliament by Command of Her Majesty.
1853.

LONDON:

PRINTED BY HARRISON AND SON.

[195]

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CONTRACT PACKETS.

Report to the Lords Commissioners of Her Majesty's Treasury.

My Lords,

IN accordance with the directions contained in your Lordships' Minute of the 1st March last, we have inquired into the subject of the Packet Contracts, and now submit to your Lordships the following Report: APPENDIX (A).

There have been two methods by which Her Majesty's mails, when not dispatched as ship letters, have been conveyed by sea:— Methods by which mails have been conveyed.

1. By vessels of war or packets belonging to the Crown.
2. By vessels under contract.

The relative advantages of these two methods have been frequently discussed and compared; and since 1788, when the Commissioners of Fees and Gratuities inquired into the subject, and reported in favour of the exclusive adoption of the second of these plans, several recommendations for its extension have been made, and it may be expected that, before long, none of the Queen's vessels will be employed in the regular conveyance of mails.

The Contracts made by the Post Office from the earliest times until 1837, and by the Board of Admiralty from 1837 to the present time, have required the conveyance of mails under certain stipulations for a fixed sum, and have generally left untouched the conveyance of passengers and freight. The stipulations have been similar to those in force for hired transport ships, and have been directed to secure proper vessels and to prevent delay, and have required that an officer of the Government be received on board during the voyage, in order that he may insist upon a strict adherence to the terms of the agreement and judge of any circumstances which may appear to justify a deviation from them. Some of the later contracts have, in addition, stipulated for an average rate of speed to be maintained. System of contracts.

Before the application of steam to the propulsion of ships, the contracts were often made for short periods, the Government being able to find, among the vessels already employed in trade, some of speed sufficient for the purpose; but when it became requisite to dispatch the mails by steam, the ordinary supply of trading vessels would no longer suffice, and the Government had to call into existence a new class of packets. Introduction of ocean steamers.

The postal service between England and the adjacent shores of Ireland, France, and Belgium, was at first performed by steam-packets belonging to the Crown; but for the longer voyages it was thought better to induce commercial companies to build steamers; and with that view the contracts were at first made for periods which, unless previously terminated by failure to fulfil their engagements, would secure to the company the full benefit of their original outlay, by continuing the employment of

their vessels until they might be expected to require extensive repairs, or to become unfit for continued service. In 1837 steam communication was created with Portugal and Gibraltar; in 1840 with Egypt, with the West Indies, and with North America.

Mode of determining the subsidy.

When the public interest requires the establishment of a postal line on which the ordinary traffic would not be remunerative for steamers, the subsidy to be allowed in the contract may be ascertained either by the test of public competition, or by calculating the amount which, on an estimate of the probable receipts and expenditure, will cover the deficiency of receipts, or by comparing it with the cost of war vessels if employed for the same purpose.

None of these means appear to have been neglected, at least as far as circumstances would allow, at the formation of the above-mentioned contracts; and previous to their renewal, investigations were instituted into the accounts of the several companies, in order to ascertain how far the receipts from passenger-fares and freights had fallen short of the expenditure, and what subsidy would consequently appear to be essential to the continuance of the undertaking.

Objects of the contracts.

The objects which appear to have led to the formation of these contracts, and to the large expenditure involved, were,—to afford a rapid, frequent, and punctual communication with those distant ports which feed the main arteries of British commerce, and with the most important of our foreign possessions; to foster maritime enterprise; and to encourage the production of a superior class of vessels which would promote the convenience and wealth of the country in time of peace, and assist in defending its shores against hostile aggression.

How far attained.*

These expectations have not been disappointed. The ocean has been traversed with a precision and regularity hitherto deemed impossible,—commerce and civilization have been extended,—the colonies have been brought more closely into connection with the Home Government,—and steam ships have been constructed of a size and power that, without Government aid, could hardly, at least for many years, have been produced.

It is not easy to estimate the pecuniary value of these results, but there is no reason to suppose that they could have been attained at that time at less cost.

Subsidies, when to be dispensed with.

When, however, provision has to be made for the conveyance of mails in cases where steamers employed for passengers and commerce are available, and there is effective competition, it is not necessary, as in the former case, for the Government to subsidize the contractors by contributing a considerable portion of their receipts, since it may fairly expect to get the service done for a payment which will cover the freight of the mail bags and compensate for the prescribed punctuality of departure and arrival, and for any increase of speed that may be agreed upon. The increased demand for steam communication and the recent adaptation of the screw propeller to trading vessels, render it probable that in future renewals of contracts, or the establishment of new ones, the Government may be able to obtain the services they require for payments fixed by the latter calculation rather than the former, and that it will not be necessary to extend the duration of the contracts for so long a period as has hitherto been generally considered necessary.

Results of contract system.

To show what the system is capable of accomplishing, it will be sufficient that we should call attention to the two great lines of communication which have been opened, the one between this country and India, the other between this country and America. The mails are dispatched twice a month in the one case, and once a week in the other, and are conveyed to their destination with a regularity and rapidity which leaves nothing to be desired. The time occupied in the voyage to and fro between England and Bombay, which, before the establishment of the Overland Route, averaged about 224 days, is now no more than 87 days; and the time occupied in the voyage to and fro between England and the United States, which before 1840 varied from 45 to 105 days, is now reduced to an average period of 24 days. Nor is the service simply rapid, it is also regular; and the mercantile community can reckon with the utmost

* Post to India

and to America.

certainty on the punctual departure of the mails at the appointed times, and can also calculate with great precision the times of their arrival.

The same results have not been so conspicuous on some other postal lines; but, taking the service as a whole, it has undoubtedly been brought to a high state of excellence, and its value to the country, both politically and commercially, is very considerable.

At the present time, however, doubts suggest themselves whether the system of subsidies for the postal service has not reached the limits to which it can be carried with advantage. The charge which it entails upon the public revenue has become very serious: the amount of the subsidies alone, without including the charge for those portions of the service which are still carried on by Government vessels, has risen to the large sum of 853,140*l.*; and demands are continually being made for a further increase. Besides the financial considerations which naturally arise upon this heavy outlay, complaints are made that the existence of highly subsidised companies prevents unassisted competition, and consequently hinders the development of private resources and the progress of improvement. It is alleged that this has led, in some instances, to the abandonment of hopeful schemes of private enterprise; but this is a matter to which we have not found it possible to apply any certain test. It becomes, however, a question for serious consideration in what cases, and under what limitations, the system of subsidies ought to be continued or extended.

Doubts as to continuance of subsidies.

The object of the Government in undertaking the transmarine postal service, whether by packets or by the system of ship letters, is to provide frequent, rapid, and regular, communication between this country and other states, and between different parts of the British Empire. The reasons for desiring such communication are partly commercial and partly political. In cases where the interests concerned are chiefly those of commerce, it is generally more important that the postal service should be regular, than that it should be extremely rapid, though of course rapidity of communication, where it can be obtained without sacrificing other objects, is of great advantage. It would clearly be the interest of persons engaged in an important trade, provided there were no legal impediment in the way, to establish a regular postal communication in connection with it, even without aid from the State. This, however, would not extend to many cases in which there are political reasons for maintaining such services, while the commercial interests involved are of less magnitude. Nor is it probable that private communications would be nearly so rapid as those directed by the Government; for a high rate of speed can only be obtained at a great expense, which will generally be found to be disproportionate to the benefits directly received from it, unless under peculiar circumstances of passenger traffic. Lastly, it is to be considered that there are several services which, if they were not carried on by the British Government, would probably be undertaken by the Governments of foreign states, and that it is not likely that private individuals or associations would in such cases enter into competition with them.

Objects of the Government postal service.

From these considerations we infer that, even upon the lines in the maintenance of which the greatest commercial interests are involved, private enterprise cannot be depended upon for providing a complete substitute for Government agency; while it is clear that in others, where regular communications are desired solely or chiefly for political purposes, such agency is absolutely indispensable. It is, however, obvious, that to establish a Government system in some cases, and to leave others wholly to private persons, would cause much inconvenience. The conclusion therefore follows, that it is right that the Government should have the management of the whole of the transmarine postal communication, as it also has that of the communication within the country.

In undertaking this duty, the Government will in the first place have regard to the national interests, whether political, social, or commercial, involved in the establishment and maintenance of each particular line. Care must, however, be taken, in cases where the communication is desired chiefly for commercial purposes, to guard against an undue

Principles on which it should be conducted.

expenditure of public money for the benefit of private merchants. The extension of commerce is undoubtedly a national advantage, and it is quite reasonable that Parliamentary grants should occasionally be employed for the sake of affording fresh openings for it, by establishing new lines of communication, or introducing new methods of conveyance, the expense of which, after the first outlay has been incurred, may be expected to be borne by the parties availing themselves of the facilities offered them. But this having once been done, and sufficient time having been allowed for the experiment, the further continuance of the service, unless required for political reasons of adequate importance, should be made to depend upon the extent to which the parties chiefly interested avail themselves of it, and upon its tendency to become self-supporting.

We consider that the outlay which has very judiciously been incurred for the establishment of Ocean Steam Navigation is a case in point. The heavy expense and serious risk of loss attending the introduction of ocean steamers might probably have prevented the experiments being tried, or at least might have delayed it for a long time, had not aid been granted to its promoters by the State. Now, however, that success has been attained, it becomes important to consider whether the lines which have been opened cannot be made self-supporting, that is to say, whether they cannot be so carried on as to produce a postal revenue sufficient to cover the expense involved in their maintenance. Where this cannot be done, the continuance of the line should become a subject of serious consideration, and although there will no doubt be cases in which the political and social interests concerned in it are of such magnitude as to render it a matter of national importance to maintain it even at a pecuniary loss, we think that such cases should be closely examined, and that none but the most convincing reasons should be admitted for the permanent support of any line at a cost exceeding the revenue which it can be made to produce.

Having thus expressed our opinion as to the general principles upon which the Government should undertake the conduct of the postal service, we have next to consider in what manner that service can be most satisfactorily and economically performed.

There is no peculiarity in this branch of business which renders it an exception to the general rule, that work is done more cheaply by contract than by Government agency. Private vessels, engaged in the carriage of merchandize and passengers for private profit, can, as a general rule, advantageously undertake the conveyance of the mails likewise. If no extraordinary speed is required, they can be made to start at regular periods, and to complete their voyages with reasonable punctuality, at a moderate expense. Great exactitude in the times of departure, though it may sometimes occasion the loss of a portion of freight, will have its countervailing advantages by attracting passengers, and even cargo; while the credit which attaches to vessels under contract with the Government must also prove beneficial to them. The necessity for sailing regularly throughout the year, without regard to the demands of commerce, may entail a loss at particular seasons on certain lines; but against this consideration must be set the fact that the rate paid for carrying letters is invariably higher than that paid for the freight of a corresponding weight of merchandize; and as this will form an item of extraordinary profit during the busy season, it may be fairly expected that it should be conveyed even at a loss during the months in which there is little traffic.

The vessels now under contract with the Government are, however, for the most part, required to maintain high rates of speed. The contractors are also subject to a variety of conditions, designed partly to secure the efficiency of the postal service and partly to render their vessels available for other national purposes wholly unconnected with that service. In return, they are in the receipt of subsidies largely in excess of the amount of revenue derived from the mails they carry, and those subsidies are guaranteed to them for terms of years varying from four to twelve, most of which have at the present time not less than seven or eight years to run. A Return, printed in the Appendix to this Report, will show the present state of these contracts, and an Estimate, also printed in the

Mode of carrying
it on.

Contracts prefer-
able to agency of
Government.

Subsidies, why
required.

APPENDIX (B).

Appendix, will show that while the amount of the subsidies to foreign and colonial lines, as contracted for in the past year, was no less than 822,390*l.*, the sums received for postage upon these lines cannot be estimated at more than 443,782*l.* APPENDIX (C).

The question which appears to us first in the order of consideration is, whether it is desirable to simplify such contracts as may in future be made, by omitting from them all provisions which do not directly bear upon the efficiency of the postal service. Contracts to be simplified.

In arranging the terms of these contracts, the Government seized the opportunity of requiring that the vessels should be constructed in a manner that would render them as serviceable for national defence in war as steam-packets belonging to the Crown would have been if employed in their stead. A provision to this effect was first inserted in the contract with the Royal Mail Company in 1840; and in most of the existing contracts stipulations are to be found requiring that the vessels should be of a construction and strength fit to carry such an armament as the Admiralty may think proper. In several cases they must be built of wood and not of iron; and there are some contracts which confer on the Admiralty the right of taking the ships at a valuation when it may be thought desirable to do so. Armament of packets,

Generally speaking these stipulations have been fulfilled, as appears from a return which has been laid before us by the Surveyor of the Navy, showing the number, tonnage, and power of the vessels constructed by the various Companies under contract with the Admiralty for the conveyance of the mails, distinguishing those built of wood from those built of iron, and stating whether the Companies have in any cases violated the terms of the contracts, and if so whether any authority has been given by the Board of Admiralty for the deviation. It results from this return that out of 98 vessels which had been surveyed by the Government officers, one only (the "Australian") had been reported as incapable of carrying guns if required, and two iron vessels (the "Levantine" and the "Petrel") had been accepted instead of wooden vessels on Mr. Cunard's Halifax and Bermuda line. Two other vessels—one belonging to the Australian Royal Mail Company, and the other to Mr. Macgregor Laird's West Coast of Africa line—had also been accepted (temporarily) by Admiralty authority, although of less tonnage and power than the contracts prescribed. how far effected:

The Surveyor's report upon most of these vessels, as regards their fitness for war purposes, is in the following terms:—"Not fitted for armament, but capable of carrying guns when so fitted." This report accords with the opinion expressed by the Committee of Naval and Artillery officers upon the vessels which have come under their notice. It appears, however, from the statements of that Committee, that although the packets they have examined are for the most part of sufficient strength to carry and fire a certain number of guns, the expense of the alterations which would be necessary before they could be got ready for service would be very considerable, and that even when such alterations had been made, the efficiency of the vessels would be very small in proportion to their size, and that they could not encounter hostile vessels of equal tonnage without endangering the honour of the British flag.

With reference to future contracts, we are decidedly of opinion that no expense should be incurred for the sake of imposing conditions for giving a military character to the postal vessels. We believe the imposition of such conditions to be a measure of false economy. Should a war suddenly break out, the immediate demand for mail steamers would probably be greater than ever, and it might be exceedingly inconvenient to withdraw them at such a time from their legitimate use for the purpose of arming them for battle. Moreover, the high charge for the packet service has been borne with the greater readiness, because it has been supposed by some to include a provision, of large but unknown amount, for the defence of the country; while on the other hand, the Naval Estimates have sometimes been complained of as excessive, on the ground that the force provided for was in addition to the large reserve of postal war steamers. We accordingly recommend that for the future the contracts not to be insisted on

for the conveyance of the mails should be wholly free from stipulations of the nature we have been describing, though it may be desirable in some cases to retain the power in the Government to take possession of the vessels in the event of national emergency.

Conveyance of
officers, &c.

It is for similar reasons that we object to the provisions by which the Contractors are usually bound to convey a certain number of officers troops, artillery, and stores, at rates considerably below those commonly charged. It may be desirable that contracts should be made for these purposes, but they ought not to form part of the contracts for conveying the mails, with which they have nothing to do. Each service should be separately shown, and each reduced to the lowest cost compatible with efficiency.

Conditions with a
view to efficiency.

We turn next to the consideration of the conditions inserted in the contracts with a view to the efficiency of the mail service itself. These are of various kinds. Some relate to the size, the power, and the speed of the vessels; others prescribe the class of officers to be employed for their command; others provide for the reception of agents appointed by the Admiralty to take charge of the mails, and define with much exactness the powers of these agents. There are also conditions, in the nature of time-tables, showing the periods at which the vessels are to sail, the places at which they are to stop, and the number of days and hours to be allowed for the performance of the whole service, and of its several parts. The contracts contain moderate specific penalties for certain breaches of agreement, and one of large amount in case of general or systematic failure.

We are of opinion that in cases where it may in future be necessary to make new contracts, many of these conditions may be dispensed with. The object being simply to provide for the safe, regular, and expeditious carriage of the mails, a stipulation that the mails shall be delivered at their destination within a prescribed number of days, would supersede the necessity for the other conditions which we have mentioned, and which can add nothing to the force of such a stipulation.

Admiralty agents.

The necessity for employing Admiralty agents is questioned by several Companies; and although a good understanding appears generally to prevail between these officers and the commanders of vessels, disagreements at times occur, and the inconvenience to which they lead is occasionally not inconsiderable. The infliction of fines in all cases of delay is calculated to afford a better security for punctuality than the control of an Admiralty agent. Besides, it must be remembered, that the very presence of the Admiralty agent weakens the responsibility of the commander of the vessel, which it would appear desirable to increase rather than to diminish. We are therefore of opinion that the employment of agents in charge of mails on board contract vessels, might in some instances be dispensed with, even under the existing contracts, though there are cases in which the complicated nature of the service will continue to render their presence important. We observe that in the estimate for the Post Office Packet Service for the year 1852-53, the sum of 10,683*l.* was provided for the pay and allowances for these officers.

We are accordingly of opinion that all future contracts should be of as simple a character as possible, and should be confined to stipulations for the performance of the service within a given time, in a satisfactory manner, for a stipulated price, and under prescribed penalties, which should be rigidly enforced for every breach.

Mode recommended
for making con-
tracts.

The mode in which such contracts should be made, so as to secure the greatest advantage to the public, must vary according to circumstances. Where frequent and rapid communication already exists, it is only necessary for the Government to secure from time to time the services of vessels already engaged in private traffic. In such case public competition for the conveyance of the mails can hardly be too frequently, or too openly, invited. The terms of competition may be either as regards price, or as regards time, or both; that is to say, the Government may either prescribe the time within which the service must be performed and call for tenders as to the price, or may offer a certain price to the party that will engage to accomplish the voyage within the shortest

time, or may invite proposals as to both time and price, from which it may select the most favourable. Such contracts may be entered into either for each voyage or for short periods. The speed to be required, and the price to be paid, must of course depend upon the importance of the service. When it is thought necessary that a certain high rate of speed should be attained, without reference to the cost of the undertaking, either the rate should be specified and tenders for the price invited, or a very liberal price should be named in order to stimulate competition as to speed. When, on the other hand, it is not thought reasonable to incur a heavy expense for the sake of great rapidity, a moderate price should be offered, and the offer of the highest speed which can be maintained at that price should be accepted. 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 received, or based upon the actual weight of the bags carried.

There still remain, however, some cases in which there exists no private communication sufficient to render such a mode of proceeding practicable. Where this is so, and where a communication has to be created, it will be necessary that contracts of longer duration should be made, for it is unreasonable to expect that any person or association of persons should incur the expense and risk of building vessels, forming costly establishments, and opening a new line of communication at a heavy outlay of capital, without some security that they will be allowed to continue the service long enough to reap some benefit from their undertaking. It must be borne in mind, that the expensive vessels built for the conveyance of the mails at a high rate of speed are not in demand for the purposes of ordinary traffic, and cannot therefore be withdrawn and applied to another service at short notice. It is, then, fair, that on the first opening of a new line, contracts should be made for such a length of time as may encourage the building of ships for the purpose, by affording a prospect of their employment for a considerable number of years. But we see no sufficient reason for continually renewing such contracts for periods equally long, after the object has once been attained. A company which has received a liberal subsidy for ten or twelve of the first years of its existence, ought to provide, by the establishment of a sinking fund, for the maintenance of its fleet of vessels, and may be fairly expected, after having been compensated for the original hazard, to continue the service, by fresh contracts entered into either from year to year, or for a period not exceeding three years.

The mail steam-packets under contract with the Admiralty are exempted from the operation of the Act of Parliament (14 & 15 Vict., c. 79) which requires periodical surveys to be held on certain steam-vessels. We recommend that this exemption should cease, either by Parliamentary enactment, or by mutual agreement between the Admiralty and the contractors. There is no sufficient reason for withdrawing the officers in the employment of the Admiralty from other duties for these surveys, which can be more easily conducted by officers appointed by the Board of Trade for that special purpose; and we recommend that the surveys of the Admiralty be limited to ascertaining that the vessels provided by the contractors are qualified for the service in accordance with the terms of the contract.

Having thus stated the general conclusions which we have drawn from our examination of the subject referred to us, we will proceed to notice the points of most importance in the several contracts which appear on the return issued by the Admiralty, and printed in the Appendix (B.)

Survey of mail
steam-packets.

ISLE OF MAN.

Isle of Man.

(No. 1. Appendix B.)

Date of contract.	THE contract for this service was originally made by the Postmaster-General in 1833, although it is now under the charge of the Lords Commissioners of the Admiralty.
Its terms.	It provides for the conveyance of the mails twice each way weekly, by steam-vessels of not less than 140 tons burden. The Postmaster-General has the power of fixing the days of departure; and if the contractors fail to provide such a vessel as shall be approved by the Postmaster-General or his surveyors, the Postmaster-General is empowered to engage a vessel for the service at the cost of the contractors.
Subsidy, 850 <i>l</i> .	The payment to the contractors is 850 <i>l</i> . a-year. The service appears to have been punctually and faithfully performed.
Financial results.	The contract is terminable at three months' notice; but we do not recommend that there should be any immediate disturbance of it. According to accounts taken in April 1853, the gross Inland postage for a year, on the whole of the correspondence, paid and unpaid, sent to and received from the Isle of Man, amounts to 2,917 <i>l</i> . 13 <i>s</i> . 4 <i>d</i> ; and the gross Foreign, Colonial, and Ship postage, calculated in like manner amounts to 677 <i>l</i> . 13 <i>s</i> . 0 <i>d</i> . The total gross postage on the whole Inland, Foreign, Colonial, and Ship correspondence being 3,595 <i>l</i> . 6 <i>s</i> . 4 <i>d</i> . The expenditure for postal service in the island for one year ending January 5, 1852, was 644 <i>l</i> . 12 <i>s</i> . 9 <i>d</i> . The expenditure for packet-service is per annum 850 <i>l</i> . Although during the winter the passage from Liverpool to the Isle of Man and back, is performed only twice a-week, during the summer there is daily communication each way (Sundays excepted) by steam-vessels of the contractors, and mails are conveyed on each occasion without additional cost to the public.
Increased communication desired.	The representations addressed to the Treasury and to the General Post-Office from the Isle of Man, for increased opportunities of communication throughout the winter, have of late been numerous and urgent; and it may perhaps be considered right to comply with them to a certain extent, even if it should be at a greater cost than is now paid. In no case does it appear to us that any reduction in the expense of the service can be looked forward to.
No change recommended.	We find that the contractors have offered to extend the service to three weekly-mails for 1700 <i>l</i> . a-year, and to four for 2500 <i>l</i> . a-year; but we do not recommend that either offer should be entertained at present. It is not improbable that a competition with the present packets will shortly arise, either from Liverpool, Fleetwood, or Whitehaven.

HOLYHEAD &
KINGSTOWN.

Holyhead and Kingstown.

(No. 2. Appendix B.)

Date of contract.	THIS contract was entered into by the Lords Commissioners of the Admiralty and the City of Dublin Steam-Packet Company on the 9th of April, 1850, and provides for the conveyance of mails between Holyhead and Kingstown.
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It provides that the vessels employed are to be good, substantial, and efficient, and that the average rate of speed shall be not less than twelve knots an hour. HOLYHEAD & KINGSTOWN.

A vessel is to leave Holyhead and Kingstown respectively twice each day, immediately upon the arrival of the mail trains at those places, the Commissioners having the power of altering the time of departure upon one month's notice being given. Its terms.

The Company are to pay a penalty of 30*l.* in case of a vessel not being prepared to put to sea at the time agreed upon, and 10*l.* for each successive hour's delay, unless such delay is proved to be beyond the control of the Company.

In case the Company fail to land the mails in time to be forwarded by the trains appointed to carry them, the Lords Commissioners of the Admiralty have power to deduct for each failure, from the contract service money, a sum bearing the same proportionate to the annual payment which one voyage bears to the annual service; unless the delay has been unavoidable on the part of the Company.

The vessels must not linger, deviate from their course, or put back, under a penalty of 100*l.*

The Company must receive on board an officer in charge of the mails, or the Lords Commissioners of the Admiralty can place the mails in charge of the master of the vessel, should they think such a course desirable.

The Commissioners have power to survey the vessels of the Company.

The payment to the Company is to be 25,000*l.* per annum.

Subsidy, 25,000*l.*

The contract is to continue in force for ten years from the 1st of May, 1850, and to determine at any time after that if twelve months' notice shall have been given.

The Company are bound in the sum of 4000*l.* for the due performance of the contract.

The amount of postage received on account of this line for any one year cannot be stated.

On the 7th of May, 1850, a Select Committee of the House of Commons was appointed to investigate and report upon all matters connected with this contract.

Committee of House of Commons in 1850,

The evidence taken by the Committee, as well as their report, have been laid before Parliament. In the report they expressed approval of the contract, and of the conduct of the Government in all transactions relating to it.

A Committee of the House of Commons was again appointed in May last, and is now sitting, to inquire into the communication between London and Dublin. and 1853.

Under these circumstances we have not thought it necessary to institute an additional examination into the merits or working of this contract, the objects of which we conceive to be larger and more general than those of ordinary postal contracts. We concur in the opinion expressed by the Committee of the House of Commons upon the Post Communication with Ireland in 1842, to the effect that "any expenditure which may be necessary for affording the utmost facility of intercourse between the two countries, is to be regarded rather as an outlay of money for national purposes, than for the advantage of any particular department of the public service," and we do not consider that such expenditure is to be measured by the minimum cost at which the mails can be conveyed across the Channel.

ABERDEEN &
LERWICK.

Aberdeen and Lerwick. Shetland and Orkney Isles.

(No. 3. Appendix B.)

- Date of contract.** THE contract with the Aberdeen, Leith, and Clyde Shipping Company for the service was made by the Lords Commissioners of the Admiralty in 1840
- In 1838 the Contractors engaged for the conveyance of the mails between Aberdeen and Shetland, by a weekly steam-vessel throughout the whole year for the annual sum of 600*l.*, and this service was continued about ten months. At the end of that time the contractors, not finding their carrying trade remunerative, proposed to limit the communication by steam to eight months of the year; or, if this were not admitted, to give up the contract altogether in the following year. Eventually, in 1840, the present contract was entered into, under which the service is performed weekly by steam during six months only (from April to September, inclusive), and during the other six months by a sailing-vessel, also weekly.
- Its terms.** The steam-vessels are to be of 80-h. p. at least. The sailing-vessels not less than 140 tons. They may touch at Wick, Kirkwall, or other intermediate ports between Aberdeen and Lerwick, and, if they do so, are bound to carry the mails to such ports; but they are under no obligation to visit the Orkneys or any other port than Lerwick.
- The Lords Commissioners of the Admiralty may fix the days and hours of departure.
- There are limits as to the stay of the vessels in harbour, and penalties for delay, "unless for unavoidable accident, stress of weather, or other cause over which the Company had not and could not have had any control."
- The Company are bound to carry and provide for an officer in charge of the mails, if required to do so; if not, the mails are to be received and delivered by the commanders of the vessels.
- In case the Company should fail to provide for the conveyance of the mails, the Lords Commissioners of the Admiralty may engage another vessel at the cost of the Company: and the Contractors bind themselves in the sum of 500*l.* by way of stipulated and ascertained damages in case of any failure on their part in the due execution of their contract, or any part of it.
- Subsidy, 900*l.*** The sum paid is 900*l.* a year.
- The provisions of the contract appear to be unobjectionable.
- We do not find that any irregularities have occurred for which blame can attach to the Contractors, or beyond such as may be considered unavoidable in carrying on a continuous service through the year upon a dangerous coast, and one on which fogs and bad weather are very prevalent.
- It will be seen by the above summary that the contract has been made with a view to the service of Shetland only, and not of the Orkneys; although, as it suits the Company that the steam-vessels, which run under contract from April to September, should touch at Kirkwall, those islands are benefited. In the winter the same Company have a steam-vessel which plies between Aberdeen and Kirkwall, going no further; and this vessel carries letters: but, as she is not under contract with Her Majesty's Government, the correspondence is conveyed by her at the ship-letter rate applicable to coasting-vessels of 2*s.* 6*d.* for every hundred letters.
- The ordinary mails to the Orkneys are conveyed from Huna across the Pentland Frith daily (Sundays excepted), in a boat; but in bad weather
- Steam-vessel to Orkney desired.**

their arrival is uncertain, and strong representations have been made to the Government in favour of establishing a steam-vessel for that service, making Thurso Bay the point of departure. **ABERDEEN & LERWICK.**

As this, however, if conceded, would in no way relieve the service, or affect the contract of the Aberdeen, Leith, and Clyde Company, we should not think it necessary to touch upon the matter if it were not that the scheme which has been most urgently pressed is, that the Lords of the Admiralty should provide a Government vessel for the purpose, commanded by an officer of Her Majesty's Navy.

Without prejudging the question, whether, as a measure of general administration, it may be just and expedient to incur new expense in giving a more regular and secure postal communication with the Orkneys, we have no hesitation in saying that it would not be advisable to do so by the employment of vessels or officers of the Government. We consider that it may be assumed as a rule that such service is generally performed most economically by engaging private enterprise upon it; and, as in the present instance, the postal expenditure of the Orkneys already exceeds the receipts, and any additional expense can be partly compensated only by the passenger traffic, and by freight of cattle and other produce, it appears to be especially desirable that the service should be under private management. **Admiralty vessel not to be employed.**

As regards the Shetland Isles, demands have been made for a recurrence to the scheme of a weekly steamer throughout the year. But, looking to the experience of 1838, and to the fact that the present contractors have declared their unwillingness to undertake on any terms the extension of the steam-service through the winter, we cannot recommend that the existing arrangement should be disturbed. **No change recommended.**

According to accounts taken in April 1853, the gross Inland postage for a year on the whole correspondence, paid and unpaid, sent to and received from the Shetland Islands amounts to 752*l.* 4*s.*; and the gross Foreign, Colonial, and Ship postage calculated in like manner amounts to 192*l.* 9*s.* The total gross postage on the whole Inland, Foreign, Colonial, and Ship correspondence being 944*l.* 13*s.* **Financial results.**

The expenditure for postal-service in those islands for one year ending the 5th January, 1852, was 287*l.* 3*s.*

The expenditure for packet-service is 900*l.* per annum.

The inland postage received in the Orkneys is about 500*l.*

The expenditure for postal-service (including the mail-boats) is 807*l.* 0*s.* 8*d.*

London. Hamburg, Rotterdam.

LONDON AND
HAMBURGH.

(No. 4. Appendix B.)

THE contract for these services was made between the Postmaster-General and the General Steam Navigation Company in 1834, and renewed by the Lords Commissioners of the Admiralty on the 22nd March, 1849. **Date of contract.**

It provides for the conveyance of the mails to and from each port (Hamburg and Rotterdam) twice a-week. The only stipulations as to vessels are that they should be good and substantial, to be approved of by the Lords Commissioners of the Admiralty, or by the Postmaster-General, and of not less than 100 h. p. in the one case, and 80 in the other. It is agreed that they should not carry freight such as to impede the conveyance of the mails; and that the Lords Commissioners **Its terms.**

LONDON AND HAMBURGH.	of the Admiralty or the Postmaster-General should have the power of calling upon the company to refuse it. An agent having the custody of the mails is to be received on board. No peculiar penalties are prescribed, nor any provision made against breach of contract, except a power vested in the Lords Commissioners of the Admiralty to determine the contract without notice, in the case of such breach. In ordinary circumstances a notice of six months is required from either party.
Subsidy, 17,000 <i>l.</i>	The sum to be paid for the service is 17,000 <i>l.</i> per annum.
Notice of termination given.	Since the appointment by your Lordships of the present Committee, measures have been brought to a conclusion which have enabled the Government to give notice of the termination of this contract within six months.
Postal agreements with Prussia	In July 1852, a postal agreement was entered into with Prussia, acting on behalf of the German Postal Union, by which provision was made for the transmission, <i>via</i> Ostend, Belgium, and Prussia, of correspondence, paid or unpaid, between the United Kingdom and a large portion of the continent.
and Holland.	And in April 1853 the consent of the Dutch Government was obtained that all the correspondence to and from the Netherlands should be sent through Belgium, and that the packets to Rotterdam should be withdrawn. The other States of Northern Europe under Convention with this country, and whose correspondence has been hitherto, to a greater or less extent, forwarded by the Hamburg packets, are Bremen, Lubeck, Oldenburgh, Hanover, Brunswick, Denmark, Sweden, Norway, and Mecklenburgh-Schwerin. Already the larger part [of the letters to these countries has in practice been sent by the Ostend packets; although the rule has been to send in the Prussian mail only such as are specially marked <i>via</i> Ostend or <i>via</i> Prussia. Henceforward the whole will be transmitted by that route.
Future cost of postage.	As regards the cost of postage, the effect will be to lower the whole rate (British and foreign combined) as regards letters to Lubeck, Oldenburgh, Hanover, and Brunswick, from 9 <i>d.</i> to 8 <i>d.</i> the single letter, and as regards Mecklenburgh-Schwerin from 10 <i>d.</i> to 8 <i>d.</i> The rate to Norway will be raised from 1 <i>s.</i> 4 <i>d.</i> to 1 <i>s.</i> 5 <i>d.</i> in summer, but in winter will remain unaltered at 1 <i>s.</i> 5 <i>d.</i> That to Denmark will alone be permanently raised from 10 <i>d.</i> to 11½ <i>d.</i> That to Hamburg, Bremen, and Sweden will remain unaltered. As regards time, we believe that the difference will, in every case, be found to be in favour of the route by Ostend, with the advantage that the post will be daily and regular, instead of limited to two days of the week. Of the 17,000 <i>l.</i> paid to the Company, it will be seen by the estimate annexed, that about 9,300 <i>l.</i> was returned to the revenue in postage.

PENINSULA. England. Vigo, Oporto, Lisbon, Cadiz, Gibraltar.

(No. 5. Appendix B.)

Dates of contracts. THE first contract for this service was made by the Lords Commissioners of the Admiralty with Mr. R. Bourne in 1837, for conveyance of the mails weekly, at 29,600*l.* per annum, from Falmouth. The circumstances under which this took place will be found fully detailed in Appendix No. 4 to the second report of the Select Committee on steam communication with India in 1851.

In 1843, the contract was transferred to the Peninsular and Oriental Company, and Southampton was substituted for Falmouth. PENINSULAR.

In February, 1845, the service was reduced from once a-week to once in ten days, as being sufficient for the requirements of commerce and the public; and an abatement of 9,100*l.* per annum was made in consequence.

In August, 1846, the Company gave notice that they could not call at Corunna in winter, as they had hitherto done.

In December, 1851, it became necessary, in consequence of the death of Mr. Bourne, that a new contract should be signed; and accordingly, on the 9th of January, 1852, the one now in force was concluded between the Lords of the Admiralty and the Peninsular and Oriental Company.

According to its provisions the service is to be performed by four steam-vessels of 140 horse-power. Terms of that now in force.

One vessel to leave Southampton three times in each month; viz., on the 7th, 17th, and 27th, or on such other tenth days as the Lords Commissioners of the Admiralty may appoint.

Failing to provide such vessel within twelve hours after the time fixed for departure, the Company are to pay 500*l.*, and a further sum of 500*l.* for each successive twelve hours delay.

The vessel is not to remain longer than three hours at Vigo, or off Oporto, without the direction of the agent; at Lisbon, not more than two clear days; and at Cadiz, not more than six hours. She is to arrive at Gibraltar within 222 hours of her departure from Southampton.

There are provisions regulating the time during which the vessel may remain at Gibraltar; and the same rules regarding stoppage apply to the homeward voyage, excepting that the vessel is required, under ordinary circumstances, to leave Lisbon on the mornings of the 9th, 19th, and 29th of each month. The homeward voyage is to be completed within the same time as the outward.

Should the Company fail to perform the voyage each way within 222 hours, they are to pay 500*l.* for every twelve hours of delay, unless the officer in charge shall certify that the cause of delay was beyond the control of the Company's servants.

The Company are to receive a naval officer in charge of the mails who shall determine all questions as to putting to sea, &c.

They are to provide boats for landing and embarking the mails, and to be liable to certain penalties for deviating from the course, or for putting back into port, unless with the sanction of the naval officer on board.

There are provisions for the conveyance of officers of the army, navy, and civil service, and their families and servants, and also for the passage of soldiers and seamen at certain limited rates, and for the carriage of small parcels.

The Company is to receive 20,500*l.* per annum; but if the port-charges in Spain and Portugal shall be remitted, an abatement of 2,500*l.* per annum is to be made from that sum. Subsidy, 20,500*l.*

The contract is to remain in force from the 9th January, 1852, until after six months' notice of termination has been given by either party: and the Company is bound in 10,000*l.* for the due performance of it.

It contains no stipulations as to the capacity of the vessels for armament.

The payment for this line, reckoned by mileage, is at the rate of 4*s.* 7*d.* per mile; and although the speed of the vessels is not equal to that of many others, the service has been performed with regularity. Mileage rate, 4*s.* 7*d.*

Notwithstanding that the terms are such that the expense to the public revenue exceeds the postal returns by more than 8,000*l.* per annum, we are of opinion that it is not advisable to disturb the contract at present. Excess over postage.

We have been informed that but for the fact that these vessels seem to draw passengers to the vessels of the same Company which proceed up the Mediterranean, the line would be unremunerative; and that, as it is, the loss upon it in the winter is heavy. The passengers during many months of the year are very few. Cargo can be shipped Inexpediency of alteration at present.

PENINSULA. only to and from the ports of Lisbon and Oporto, the delay caused by loading and unloading in the Spanish ports being such as would be incompatible with the punctual delivery of the mails, and the Company having in consequence obtained permission to carry a pendant, and to be dealt with as a vessel of the royal navy (so long as the naval officer is on board) in order to escape the detention to which trading vessels are subjected in Spain. Moreover, the cargoes carried to and from the Portuguese ports pay a low freight, except during two months of the year, in the case of ripe fruit. Upon the whole, it appears to us improbable that if the contract were dissolved, the same amount of service could be obtained at the present time upon more favourable terms.

This being the case, we have considered whether a reduction of the service from three to two voyages in the month, and a proportionate diminution of the subsidy, might not be effected; a separate monthly communication with Lisbon having lately been established through the Brazilian mail-packets of the Royal Mail Steam Packet Company which touch at that port both outwards and homewards. The Peninsular Company have shown no unwillingness to entertain the proposal. But we fear that the uncertainty of the time at which vessels returning from so distant a point as Rio de Janeiro might be expected to touch at Lisbon, would render this means of communication of little advantage, so far as the homeward post is concerned: and we are not prepared to recommend that the fixed and regular opportunities of correspondence between this country and Portugal by sea should be fewer than three in the month.

If indeed the course of post between England and Portugal by land had been more rapid, we might have been disposed to come to a different conclusion. But at present a letter sent from London, through France and Spain, takes eight days fifteen hours to reach Lisbon; whereas by packet the time ordinarily consumed is four days eighteen hours. The difference in the rates of postage by the two routes is, as regards letters from England, in favour of that by sea. The charge upon a half-ounce letter sent by packet is 4s. 4½d., whilst by land it is 5s. 10d. As regards letters to England, the case is otherwise; those by packet being charged 1s. 9d., whilst by land they pay only 1s. 3d., and if below a quarter of an ounce only 10d. This discrepancy is owing to the system which prevails in the Peninsula of collecting postage mainly upon the incoming, and not upon the outgoing letters.

Future contingencies.

It is probable that the conclusion of a Postal Convention with Spain will shortly reduce the rates by land: and the completion of railways in France will eventually diminish the time occupied by the land-post. But, under existing circumstances, we do not recommend the termination or curtailment, at present, of the service performed by the Peninsular vessels of this Company.

INDIA AND CHINA.

England and Alexandria, Suez, Calcutta, and Hong-Kong. Marseilles and Malta. Singapore and Sydney.

(No. 6. Appendix B.)

Demand for increased subsidy.

WE have already, on the 23rd of February last, reported fully to your Lordships upon the position of this Company, and upon a demand addressed by them to the Lords Commissioners of the Admiralty for a

temporary reduction of their service upon certain terms, the acceptance of which we were unable to recommend. This report will be found in the Appendix.

The conditions upon which we advised your Lordships to consent to a reduction, and which were accordingly proposed to the Company, were not agreed to; and the Company has preferred to remain under the full obligation of all their engagements.

We were repeatedly told, by more than one representative of the Company, that the dearth of shipping in British, and even in neighbouring Foreign ports, was such that, to send to the Company's stations in the Eastern seas coals sufficient for the continued performance of the service which they had undertaken, had become, not only very difficult, but literally impossible; that it was not a question of money, but that available tonnage could not be had upon any terms, and did not exist. It was upon this assumption entirely that the demand for a remission of a part of the service on the terms stated in our former report rested. We are, however, happy to find that, since the Directors of the Company decided to reject the conditions upon which alone we could advise that the remission should be conceded, they have announced to the shareholders* their hope that the whole of the contract, in its integrity, will be conducted with the usual regularity. We have no doubt that such will be the case, and that the Company can and will faithfully discharge all its engagements.

We cannot but think that the result justifies the opinion which we expressed from the beginning against an acquiescence in the proposal of the Company; and that it proves that great caution is necessary in admitting any demand, however urgent and apparently reasonable, for a departure from engagements which have been deliberately undertaken for the discharge of a public service.

This contract came into operation on the 1st of January last, and, so far as can be judged at present, has been satisfactorily executed. Date of contract.

The Company undertake to carry mails twice each way in every month between England and Alexandria, and twice each way in every month between Suez, Calcutta, and Hong-Kong. Its terms.

The vessels to be employed are to be not less than 15 in number, and of at least 1100 tons each.

Two vessels are also to be furnished, to run between Marseilles and Malta, twice each way in every month.

The Company further engage to carry mails between Singapore and Sydney, once each way in every alternate month, in vessels of not less than 600 tons.

Tables of routes are attached, and form part of the contract.

There are certain stipulations as to proper machinery.

A medical officer is to be placed on board each vessel.

Provision is made for carrying pivot and broadside guns.

The vessels of 1100 tons shall attain 12 knots an hour, and the other vessels 10½ knots an hour, without the aid of sails, or they shall not be employed.

The average speed of each vessel is to be not less than 10 knots an hour, excepting in the case of those between Singapore and Sydney, which are to make the passage at a rate not less than 8½ knots.

A vessel is to start in the beginning and another in the middle of each succeeding month from Southampton or other port, commencing from the 20th of January, 1853.

Such vessels are to proceed direct to Gibraltar within 121 hours from the time of starting.

The Lords Commissioners of the Admiralty have power, on giving three months' notice, to substitute any other ports in the Mediterranean for Marseilles and Malta, on payment of a reasonable compensation for any loss incurred.

If the vessel from stress of weather or otherwise shall deviate from

* Report of the half-yearly meeting of the Peninsular and Oriental Company, May 28, 1853.

INDIA AND
CHINA.

her course, the Admiralty Agent shall enter the reason in the log-book.

Provision is made for alterations and improvements.

The Company shall always have vessels in constant readiness in case of any being disabled.

The Company shall receive on board an officer of Her Majesty's Navy as agent, he having full authority relative to this contract.

But the Commissioners may without charge entrust the mails to the master.

Neither the Company nor the masters shall receive on board any letters for conveyance other than those in charge of the agent or other authorized person: should they do so, they will be liable to be proceeded against for breach of contract.

If the Company fail to provide vessels ready to put to sea from any of the ports, viz, Southampton, Alexandria, Suez, Calcutta, Hong Kong, Singapore, and Sydney, at the time appointed, they shall in each case forfeit 500*l.*, and further 500*l.* for every successive day up to the fourteenth day inclusive which shall elapse until the vessel shall actually put to sea.

And if any vessel, in breach of this contract, shall delay starting, or put back, linger, or deviate (except from stress of weather), without sanction, the Company shall forfeit 200*l.*, and further 200*l.* for every day's delay, unless from circumstances not under their control.

The Admiralty Agent has power to survey the vessels.

The Lords Commissioners of the Admiralty have power to compel alterations to keep pace with the advanced state of science.

The officers of the Company are to attend to the Agent's instructions as to landing or receiving mails.

There are provisions for the conveyance of naval, military, or civil officers, baggage, and victualling, as in other contracts.

Subsidy, 199,600*l.*
at present.

The payment is to be 199,600*l.* per annum, with the proviso that, six months after the opening of the railway across Egypt, it is to be reduced to 179,600 per annum.

In the event of accidents occurring to any of the vessels, the mails are to be conveyed by Her Majesty's or by the East India Company's ships; and an abatement made from contract service money at the rate of 6*s.* 2*d.* per nautical mile while the annual payment is 199,600*l.*, and at the rate of 5*s.* 6*d.* when only 179,600*l.*

If the vessels are ordered by the Lords Commissioners of the Admiralty to sail from any other port than Southampton, the Company shall receive compensation for any additional expense incurred, or for any diminution of receipts occasioned thereby, the amount to be settled by arbitration.

The Lords Commissioners of the Admiralty have power to purchase the vessels at a valuation, or to charter them at a rate to be mutually agreed on or settled by arbitration. Any submission to arbitration is to be made a rule of Court of Exchequer.

In the event of an entire stoppage of the route through Egypt, the Lords Commissioners of the Admiralty are to act as the case may require.

The whole postage is to be at the disposal of the Postmaster-General.

The contract is to endure for eight years from January 1, 1853, and to determine at any time after that, if twelve months' notice shall have been given.

The Company are bound in a penalty of 35,000*l.* in case of failure of due execution of contract.

Contribution by
East India Com-
pany.

The share which the East India Company take in the payment for this line, is defined in a letter from Sir Charles Wood to the Court of Directors, dated November 1, 1851, in which it is proposed "that the payment for the contract service beyond the Isthmus of Suez should be charged on the revenues of this country and of India, in the same proportion as at present."

This proposal was accepted by the Court of Directors. The proportion is that of $\frac{1}{6}$ of the whole: 160,000*l.* having been the sum paid to the

Peninsular and Oriental Company, for the service on the east of Suez, at the time the agreement was made, of which 70,000*l.* was then annually paid by the East India Company. INDIA AND
CHINA.

The subsidy to the Peninsular and Oriental Company for their whole service under the new contract being 199,600*l.*, it will be necessary to ascertain how much of this is paid for the service on the European, and how much for that on the Asiatic side of Suez. The number of miles in each is much greater under the new than under the old contract, and their relative proportion is somewhat different.

No data from which to calculate their respective cost are to be found in the contract, or in the tenders from which it was framed. The contract simply specifies the gross price of the whole service rendered; and it appears from the evidence of Mr. J. C. Mason, the Assistant-Secretary of the Marine Branch of the India House, that the Court of Directors is in ignorance of the amount which they will be called upon to pay.

We recommend that this should be made known to them without further delay.

As regards revenue, the annual receipts of the General Post Office from this service amount, as will be seen by the estimate, to 152,564*l.*, or reckoning postage chargeable to the East India Company, but always remitted (and which, therefore, though earned by the packets, is lost to the revenue of the General Post Office), 171,546*l.* The loss upon the whole may therefore be estimated at about 47,000*l.* per annum. Financial results.

The contract is to continue in force eight years; and as the representatives of the Company insist strongly upon the great disadvantage which would be entailed upon them, if from any cause it should be necessary for them to curtail the extent of their service, or to admit any interruption of it, we may assume that it is not probable that any arrangement can be made during that term by which the amount of subsidy payable upon this line can be reduced. No change recom-
mended.

It might even become a question for consideration whether more frequent use should not be made of it for postal communication with Australia. But we have treated of this under the head of the Australian service.

As a branch of this line, a service is performed twice a month between Aden and Bombay, by vessels of the East India Company. Mail service
between Aden and
Bombay.

The terms of this service are stated in the letter of Sir Charles Wood, to which we have already referred, to be these: That a sum should be contributed from the revenues of this country to the East India Company, for the performance of the service between Aden and Bombay twice a month, calculated according to the nature and difficulty of the service; and that if the Company think it advisable for their own purposes, or for the convenience of the Bombay passengers, to run their vessels from Bombay to Suez, no objection will be made to their carrying the mails on the whole of that line once a month, it being understood that any payment to be made to them is to be in reference only to that part of the line which is between Aden and Bombay.

Mr. J. C. Mason, speaking on behalf of the East India Company, understands from these terms that the payment to be made to the Company was to be calculated at the same mileage rate as that at which the Peninsular and Oriental Company might agree to perform their share of the service in the Eastern Seas. We are unable to see anything in the expressions of Sir C. Wood's letter which fully confirms this opinion; but in this case, as in that of the contribution to be received from the East India Company, we think it very desirable that the precise amount should be determined as soon as possible.

In respect of this branch, the manner in which the service has been performed by the vessels of the East India Company, prior to the new agreement just mentioned, has been the subject of strong complaint on the part of residents in Bombay. A petition from that Presidency to the House of Commons, numerous signed, has been referred to us, and we have invited such explanations of the complaints and charges contained in it, as the Court of Directors might be disposed to give.

INDIA AND
CHINA.

We think it unnecessary to go through each in detail, especially as in the majority of cases the main facts alleged have not been disputed, and as the failures in the service are in almost every instance attributable, directly or indirectly, to the employment of vessels of little power, or of insufficient capacity for stowage of coals.

It is admitted that the use of such vessels is mainly owing to the necessity of sending the steamers of a better class to take part in the war in Burmah. But it also appears that the latter vessels will not bear comparison with those of the great foreign and colonial lines.

We are informed that the East India Company are building two new vessels at Bombay, which will be superior in speed and size to any which have hitherto been employed by them as packets; but it does not appear that these, when completed, may not, in case of emergency, be withdrawn for other services.

The prayer of the petition to which we have referred is, that the conveyance of the mails on this branch may be thrown open to public tender, and that the contract be arranged on the conditions which the experience of Her Majesty's Government has shown to be best for securing the efficient performance of the service, and the greatest amount of accommodation to the public.

In respect of this suggestion, we have no doubt that if the service were executed by contract, greater speed and punctuality than has hitherto existed, and increased convenience to passengers and for the carriage of merchandize, might be secured. As to the cost, we have reason to think that 40,000*l.* per annum would defray it; and if the East India Company are willing to bear a share of the expense proportionate to that which they have accepted in the case of the other portions of the line east of Suez, and upon the same terms, we are of opinion that the change of system would be advantageous to Her Majesty's Government, and to the public, both in this country and in India.

LIVERPOOL &
NEW YORK.Liverpool, Halifax, and Boston. Liverpool and
New York.

(No. 7. Appendix B)

Dates of contracts.

THIS service is performed under two contracts between the Lords Commissioners of the Admiralty and Messrs. Cunard & Co.,—the first and principal one, dated April 1, 1850, the other, January 1, 1852; the object of the latter being to provide a weekly communication throughout the winter, instead of a fortnightly one, as had been contemplated in the first instrument.

Their terms.

By the two contracts it is provided that vessels of not less than 400 h.-p., and capable of carrying guns of the largest calibre, shall be employed. The vessels are to leave Liverpool on Saturday in each week, alternately for New York and for Boston, the latter touching at Halifax, and the former doing so if required by the Lords Commissioners of the Admiralty. The day of departure on the return voyages from New York and Boston is Wednesday in each week.

The Lords Commissioners of the Admiralty may alter the days of departure at three months' notice; they may require mails to be received or landed at Holyhead; they may place an agent on board, to be victualled by the Contractors or may entrust the mails to the commanders of the vessels, who, in such case, shall make the usual declarations required by the Postmaster-General.

Penalties are prescribed for lingering or deviating from the course ; or in case of a vessel not leaving Liverpool for twelve hours after the appointed time. In the latter case the amount is 500*l.*, and the same for each succeeding twelve hours. The vessels may be surveyed by officers of the Admiralty, and any defects required, to be made good under a penalty of 100*l.* for each default.

LIVERPOOL &
NEW YORK.

There are stipulations as to the conveyance of officers (civil and military), troops, stores, and small packages, at certain rates.

The payments for the whole service under the two contracts amount to 173,340*l.* per annum for 304,876 miles travelled, giving a rate of 11*s.* 4*d.* per mile.

Subsidy, 173 340*l.*
Mileage rate,
11*s.* 4*d.*

Both contracts are to continue in force until January 1, 1862, and thenceforward until after twelve months' notice of termination shall have been given. But the Contractors may determine that of 1850 at any time on twelve months' notice, and on payment of 20,000*l.*; in which case the Admiralty may purchase their vessels, subject to arbitration. The contract of 1852 is also terminable at twelve months' notice, subject to the same condition as to the purchase of the vessels, and such notice may be given by the Lords Commissioners of the Admiralty as well as by the Contractors.

An additional allowance, within certain limits, is to be made to the Contractors in the event of an increase in the rate of insurance on steam-vessels, or in the freight or insurance of coals, as compared with the rates payable at the date of the contract, if proved to the satisfaction of the Lords Commissioners of the Admiralty.

The general penalty for non-performance of the contract is 30,000*l.*, to be paid "by way of stipulated or ascertained damages agreed upon" between the contracting parties.

This line of packets has of late years had to contend against serious foreign competition.

Character of ser-
vice.

We find that the vessels employed on the line are much more powerful, and, of course, more costly than is required by the terms of the contract; and that as regards their fitness for war purposes, they are reported by the Committee of Naval and Artillery Officers as being capable of being made more efficient substitutes for men-of-war than any of the other vessels under contract for the Packet Service.

The service has been performed with great regularity, speed, and certainty. In fifty-four voyages between Liverpool and New York, from December 1851 to January 1853, the average length of passage has been 12 days 1 hour 14 minutes, and the average speed 10½ miles per hour.

In the same number of voyages between Liverpool and Boston, the average length of passage was 12 days 30 minutes, the stay at Halifax being 1 hour 50 minutes, and the time occupied between that port and Boston being 1 day, 10 hours, 25 minutes; the average speed rather more than 10 miles per hour.

That the Contractors have incurred an outlay over and above that required by the contract, appears from the fact that whereas vessels of 400 h.-p. (as therein specified) would cost about 50,000*l.* each, and consume 30 or 40 tons of coal a-day, those by which the service is actually performed, and of which the power ranges from 700 to 1000 h.-p., cost from 90,000*l.* to 100,000*l.* each, and consume twice and three times the amount of coal.

The competition with this line is shared by two American companies ; one (that of Collins and Co.) despatching a vessel every alternate Wednesday from Liverpool to New York; the other sending a vessel, also on alternate Wednesdays, from Southampton to New York.

American competi-
tion.

It has been represented to us that, but for the subsidy which the English Government pays to Messrs. Cunard and Co., the Government of the United States would not have given so largely (858,000 dollars, as we are informed, for 26 double voyages) in support of Collins' line, and yet that the service might, by force of competition, have been equally well performed.

We are unable to say what course might have been taken by the Government of the United States in such case. It appears, indeed, from

LIVERPOOL &
NEW YORK.

a Report of the Committee on Naval Affairs, submitted to the House of Representatives in 1851, that the undertaking of Messrs. Collins was commenced mainly for the purpose of establishing "in the United States a rival to England in the Ocean Steam Navigation of the world, and in the great contest for the supremacy of the seas;" and that it was this consideration which induced the Government of the United States to contribute so freely to their support. But assuming that there had been no subsidy on either side, we are of opinion that the speed and regularity with which the service is now performed, although eventually they might have been arrived at by the unaided enterprise of the companies, would have been much longer of attainment.

We do not fully agree with Mr. Cunard that contracts for a long term of years are essentially necessary for the development of such a service; but we believe that such contracts, when, owing to the presence of powerful rivals in the same field, they do not preclude or check competition, may serve to assist and hasten improvements which private companies, dependent upon their own funds alone, would be more slow to undertake.

Excess of subsidy
over postage.

It has been represented that the subsidy which Government pays for this line is more than compensated by the postage which it brings in. This is an error, as will be seen by the estimate at the close of our report. The amount paid to the Contractors for the whole service performed (including that to Newfoundland, Halifax, Bermuda, and St. Thomas), is greater than the amount of postage received by 61,642*l*.

The proposed rail-
ways from Halifax
to Montreal and
Boston

In considering this line, our attention has been drawn to the possibility that before the expiration of the contract, a communication by railway may be opened from Halifax to Quebec and Montreal, and also from Halifax to Boston; and that in such case it might be possible to reduce the extent and expense of the packet-service, by making Halifax the sole point to be reached on the American side; this would save alternately on each voyage the passage between Halifax and Boston—the distance between the two ports being about 350 miles;—and the excess of the route from Liverpool direct to New York, as compared with that to Halifax—this excess may be reckoned at 500 miles.

Of course such an arrangement and any reduction of payment consequent upon it can only be made with the consent of the Contractors, who are fairly and equitably, as well as in strict law, entitled to demand an adherence to the contract for its full term, and we find that they refuse to entertain the proposal upon any conditions.

The evidence of Mr. Cunard is conclusive upon this point.

would not enable
Government to
drop part of the
service.

He states that he would not consent to make Halifax the terminus of the voyage, even if the present subsidy from Government were doubled, because such a measure would be ruinous to the line, both as regards passengers and freight.

Comparison of
routes by Halifax
and New York.

As regards passengers, those who land at Boston and New York compared with those who land at Halifax, are as thirty to one. Of this number it may be assumed that, in the event of such a change, those whose destination is in the United States (a large majority) would at once transfer themselves to the American or any other line which sailed for New York direct. And it may be doubted whether many of those who are bound for Canada would not prefer the route by New York or Boston, even after the railway from Halifax were completed.

The time occupied in the journey by railway from Boston to Montreal is now thirteen hours; from New York somewhat more. The distance from Halifax by railway to Montreal will be upwards of 700 miles, and probably will not in the most favourable circumstances be travelled in less than thirty hours. Therefore, taking into account, on the one hand, the expense of the longer railway journey, and the discomfort of it in severe weather, and, on the other, the fact that even at present a passenger pays no more for being carried to Boston than for being landed at Halifax, and that the passage between the two ports adds only thirty hours to the voyage on which he is embarked, we think it probable that many persons going to Canada (certainly those bound for the Upper Province) would

prefer a vessel which would land them at Boston to one which carried them to Halifax. LIVERPOOL &
NEW YORK.

As regards freight, the present charge made by the owners of the mail packets is 3*l.* per ton, and no distinction is made between the freight to Halifax and that to Boston. We are informed that the amount of cargo for Halifax is insignificant compared with that for the United States, each steamer taking no more than from five to ten tons to the former port; and although this is no doubt partly owing to the fact that the owners discourage the shipment of cargo for Halifax on account of the inconvenience and delay caused by the landing of it during the short stoppage of their vessels in that port, yet it is to be observed that the general character of the merchandize sent from England to the North American colonies is not such as to be remunerative to large steam-vessels under any circumstances; the great bulk being coarse goods, which can be conveyed equally well and at a lower rate by sailing vessels going out for timber freight, or for other purposes.

We are not surprised that, in consideration of the above facts, the Contractors refuse to entertain any proposal for a reduction of their subsidy, in return for such a limitation of their service as should leave them at liberty to land all mails at Halifax. But had they consented to do so, it would be necessary to bear in mind that such a change would seriously affect the postal revenue at present derived from the line. Effect which the
change would have
upon postal revenue.

It will be seen by the Estimate appended to our Report, that at present the annual proceeds of the line may be reckoned at 126,398*l.*; and assuming that, as a consequence of the change, letters addressed to the United States and to California, whether written from this country or passing through it in transit, would by preference be forwarded by packets running to New York and Boston, we have no doubt that the above sum would be diminished by more than two-thirds; and that, in the first instance at least, if not permanently, the postal service between Europe and the United States would be transferred to the American line of packets, which is already in active competition with the existing British line.

We are of opinion that no reduction of subsidy which could reasonably have been proposed to the Contractors (had they been willing to entertain the question) would have been a satisfactory compensation for the loss thus incurred.

Under these circumstances we are unable to point out any mode by which the opening of a railway from Halifax to Quebec and Montreal can be made available for relieving the Revenue from any part of the annual payment which by contract is charged upon it until January 1862.

We are of opinion that the practice of sending a naval officer in charge of the mails might, without inconvenience, be dispensed with on this line. It appears that the mails have frequently been carried without the presence of an officer on board, and that no disadvantage has resulted, and where there are no branch lines to be served, no complicated number of bags or cross-mails to receive and deal out; where there are no stoppages, and the temptation to delay on the part of the Contractors is small, we think that the services of an agent may safely be dispensed with. Admiralty agent
may be dispensed
with.

Should this course be adopted, it will be right to take security from the Contractors for the general safe custody of every mail, in addition to the declaration which the contract empowers the Postmaster-General to require from the commanders of the vessels. The Contractors are willing to allow 500*l.* a-year in consideration of being relieved from carrying an agent.

Beyond this we are unable to recommend any change to which the Contractors could be expected to assent.

They attach great importance to a long and undisturbed term of contract, as alone enabling them to incur the expenses necessary for a successful competition with their rivals; and the manner in which they have fulfilled its stipulations is such as fairly to entitle them to all the benefit which may attach to a strict adherence to the present agreement for its full term.

LIVERPOOL &
NEW YORK.Proposed line from
New York to
Chagres.

In the course of our inquiry into this line, we have learnt that it is in the contemplation of the Contractors to establish a line in continuation of it, to run from New York to Chagres once a fortnight. They propose this with a view of supporting their existing line by making it a link in the communication with the Pacific, and in the full confidence that the route by Panama will prove the quickest to Australia.

The scheme does not appear to be matured; but Mr. Cunard reckons that the passage to Chagres by New York will be made in twenty days, and he assumes that thirty-three or thirty-four more will suffice to reach Australia. He does not expect that the line could be maintained without help from Government, and names 1000*l.* for the double voyage, as the rate at which his company would carry the mails to and from Chagres; adding, though with some hesitation, that he would be willing to make the remuneration dependent to a certain extent upon the postage received, if the present rates be maintained.

The merits of this line will hereafter be considered in connection with the existing lines to Australia.

HALIFAX,
BERMUDA, &c.Halifax, Bermuda and New York. Halifax and
Newfoundland.

(No. 8. Appendix B.)

Date of Contract.

THIS contract was made on the 1st of July, 1850, between the Lords Commissioners of the Admiralty and Mr. Cunard for the conveyance of mails to Bermuda and Newfoundland.

Its terms.

The Contractor is to provide three vessels for the service. One is to leave Halifax for Bermuda, and one for St. John's, within twenty-four hours after the arrival of the packet from Liverpool; another vessel is to convey mails monthly between Bermuda and New York on such days as may be appointed by the Lords Commissioners of the Admiralty.

The vessels are to be screw-steamers, built of wood; not less than 350 tons old measurement, and 80-horse power; and to be fitted with a proper space for mounting an 18-pounder pivot gun.

There are provisions limiting, and in certain cases imposing penalties for, stoppages and delays, and requiring the conveyance of officers, troops, stores, and packages, on certain conditions.

The contract is framed generally upon the model of that which we have just considered. (No. 7.)

The term of duration is the same, except that in the present case either party may give notice of termination at the end of twelve months, without payment of fine, or other condition.

Subsidy, 10,600*l.*,
mileage rate, 3*s.*

The payment to be made is 10,600*l.* a-year, being at the rate of 3*s.* a-mile.

The general penalty on non-performance is 2000*l.*

Character of the
service.

This service is supplementary to that between Liverpool and Halifax, and altogether dependent upon it.

In respect of the manner in which the service has been executed, we find that, on the 8th of May, 1850, the "Falcon" packet was lost at sea, and the mails forwarded to Halifax by a hired vessel two days afterwards. We also find that twice in that year, and twice in 1852, the mails from Newfoundland were not received at Halifax in time to be forwarded by the packet of the main line to Liverpool.

We do not consider that these few irregularities call for any unfavourable comment.

The great difference in the amount paid for this service, as compared with that of the main line, when reckoned by mileage (3s. in one case, and 11s. 4d. in the other), arises from the low power of the vessels required for it, and their small size, their prime cost being from 12,000*l.* to 16,000*l.* only.

HALIFAX,
BERMUDA, &c.

We find that the provisions of the contract have been so far relaxed as to allow that one of the three vessels shall be built of iron, and that this was done as a concession to the Contractor upon the loss of the vessel above mentioned.

Bermuda and St. Thomas.

BERMUDA &
ST. THOMAS.

(No. 9. Appendix B.)

THE contract for this service between the Lords Commissioners of the Admiralty and Mr. Cunard dates from the 28th February, 1851. Date of contract.

The purpose of it is to provide a monthly conveyance for the mails between Bermuda and St. Thomas each way, the days and hours of departure being named by the Lords Commissioners of the Admiralty.

The provisions as regards the size and power of the vessels, and in other respects, are the same as those of the foregoing contract. Its terms.

The payment is 4,100*l.* per annum, which gives a rate of nearly 4s. a mile. Subsidy, 4,100*l.*,
mileage rate, 4s.

This service connects the West Indies with the United States and the North American Provinces. The departure of the vessel from St. Thomas takes place immediately after the arrival of the homeward West Indian packet, and carries the correspondence of the West Indian Colonies and of Her Majesty's ships on the station from that island to Bermuda. Character of the
service.

The only irregularity in the performance of the service which has come to our knowledge is the arrival of the "Merlin" at St. Thomas on the 18th of March, 1852, in a disabled state. The mails were forwarded to Bermuda by a sailing vessel on the 23rd.

We have no alteration to suggest in regard to the line.

We find that if the departures of each of the three vessels which form the chain of communication from St. Thomas to Bermuda, from Bermuda to Halifax, and from Halifax to Liverpool, were so timed as to follow close upon the arrival of the vessel in immediate connection with it, the communication between Liverpool and St. Thomas might be effected in seventeen or eighteen days; and if the power of the vessels on the two lines between Halifax and St. Thomas were increased, this time could be reduced. We do not advise the entertaining of any such new scheme at present, but whenever it may be necessary to reconsider or to extend the communication between this country and the West Indies, it will be well to examine whether the West Indian might not advantageously be combined with the North American line. Line might here-
after be combined
with West Indian.

England, West Indies, Gulf of Mexico, and Brazils.

WEST INDIES,
&c.

(No. 10. Appendix B.)

THE contract with the Royal Mail Steam-Packet Company for conveying the mails to the West Indies originated in an offer made in April, 1839, by certain merchants connected with the West Indies to organize a Company for the conveyance of mails by steam between England, the

Origin and date of
contract.

WEST INDIES, West Indies, and the Gulf of Mexico, twice a-month for 240,000*l.* per annum. Their offer was under the consideration of the Government for about a year, and was finally adopted for the sum originally proposed. It has been frequently altered in detail since its origin. The subsidy and the main provisions of the agreement have, however, been left for the most part untouched, and the alterations affect chiefly the course of the mail communications. It was renewed in 1846, and again in 1850, on which latter occasion the Brazil service was added to that previously performed, after tenders had been publicly invited, and an addition of 30,000*l.* a-year was made to the subsidy, which thus amounts to 270,000*l.*, being at the rate of 10*s.* 10½*d.* per mile for the West Indian service, and at the rate of 3*s.* 10½*d.* per mile for the Brazil service.

Subsidy, 270,000*l.*,
mileage rates,
10*s.* 10½*d.*, and
3*s.* 10½*d.*

Terms of contract.

The contract provides for the maintenance of not less than fifteen steam-vessels, of which ten must be furnished with engines of not less than 400 h. p., and must be built of wood, and constructed to carry guns of the largest calibre now used in the Royal Navy. The Company are bound to make such improvements in them from time to time as the Lords of the Admiralty may require.

Tables of Routes are appended to the contract, but power is given to the Lords of the Admiralty to make alterations in them from time to time, provided that if they require the Company by notice to perform a service of more than 547,296 nautical miles in length, the Company shall be remunerated at the rate of 9*s.* 10*d.* for every mile beyond that distance, traversed in pursuance of such notice.

The contract contains the usual provisions for the Government survey of the vessels; for the power to purchase them at a price to be settled by arbitration; for the appointment of Admiralty agents, and the establishment of their authority to enforce a strict execution of the contract; and for the conveyance of a certain number of officers and soldiers, and a certain quantity of baggage, stores, and small packages, at reduced rates of charge.

It is stipulated that if at any time, from causes recognized by the Lords of the Treasury as being of a "distinctly public and national character," the insurance on steam-vessels shall rise above 6*l.* 6*s.* per cent., the freight of coals above 1*l.* 2*s.* 6*d.* per ton, and the insurance on coals above 2*l.* 2*s.* per cent., the Company shall receive an additional sum, to be settled by arbitration, but not to exceed 75,000*l.* a-year in the whole.

Power is given to the Lords of the Treasury, in case of public necessity, to alter the course and services of the Company's vessels in any manner that may be thought expedient, on the understanding that they are to perform 547,296 nautical miles in any direction for the amount of their subsidy, and are to be paid 9*s.* 10*d.* a mile beyond that distance.

A penalty of 100*l.* is imposed in case any vessel, having the mails on board, stop, linger, or deviate from the course on her voyage, unless in consequence of unavoidable circumstances, or in case she put back into port without consent of the Admiralty agent, or delay to start again after putting back when called on by him to do so.

A penalty of 500*l.* is also imposed for every twelve hours' delay beyond the proper and appointed time in starting from the port of departure in England; and a penalty of 200*l.* for every twelve hours' delay in starting from any other port or place in the vessel's course.

There is also a general penalty of 50,000*l.* payable "in case of failure on the part of the Company in the due execution of the contract or any part thereof."

The contract is to remain in force till the 1st of January, 1862, and further, until twelve months' notice of its determination shall have been given; but the Lords of the Admiralty have power to determine it at any time in case of its being underlet or assigned to any other party, or in case of "any breach of the contract on the part of the Company, their officers, agents, or servants."

Excess of subsidy
over postage.

The amount paid for the West Indian branch of this service exceeds the estimated sum received for postage by 183,938*l.*, and for the Brazilian branch the estimated annual postage received exceeds the sum paid by 3,478*l.* This, however, rests upon an estimate made previously to the

reduction of the rates of postage to Brazil and to Buenos Ayres from **WEST INDIES,**
2s. 9d. and *2s. 7d.* respectively to *1s.*, which took place, as regards Brazil, &c.
 on the 1st April, 1853, and Buenos Ayres 1st March, 1852. The
 estimated deficiency upon the whole amount paid under contract, is
 180,460*l.*

The mode in which this Company has performed its contract has of **Character of**
 late been the subject of many complaints; and our attention has been **service.**
 called to several memorials which have been addressed to the Treasury, the
 Admiralty, and the Colonial Office, by parties interested in the communi-
 cation with the West Indies. We have also had before us a Return,
 which has been presented to Parliament (House of Commons, No. 270),
 showing the dates of arrival at certain ports in the years 1851 and 1852,
 of the Royal Mail steamers.

It is alleged in these memorials, that the service undertaken by the **Complaints against**
 Royal Mail Company is performed with great irregularity; that the vessels **the Company.**
 do not arrive at the times named in the Table of Routes attached to the
 contract; that the duplicate correspondence from Chagres, being sent
 round by way of New York in American vessels, and thence conveyed, by
 the Cunard or American line of steamers, to Liverpool, commonly arrives
 in England sooner than the original letters brought directly by the Royal
 Mail vessels; and that great confusion is introduced into the inter-colonial
 postal communications by the frequent non-arrival of the outward mail till
 some days after the homeward mail has been made up; by the unnecessary
 delays which take place in coaling at St. Thomas, and in receiving and
 transferring freight there and elsewhere; by the want of a proper number
 of efficient steamers for the inter-colonial service; and, in some instances,
 by the negligence and incompetency of the commanders of those vessels,
 which causes unnecessary loss of time between port and port. Complaints
 are also made of the insufficient accommodation for passengers in some of
 the inter-colonial steamers; but the conveyance of passengers is a question
 which does not fall within the range of our inquiry, though we may
 remark in passing; that as the effect of the Government subsidy is to give
 a practical monopoly to this Company in respect of the whole inter-
 colonial communication, it is not unreasonable that the attention of the
 Government should be directed to any cases of inconvenience which may
 arise in connection with it. Lastly, the memorials for the most part call
 attention to the largeness of the subsidy granted to this Company, and
 intimate that other parties would be willing to undertake the service at a
 lower rate of remuneration.

It has not been within our power or province to examine minutely
 into all these complaints. We have, however, taken some evidence on the
 subject; and have also ascertained, by an examination of the Secretary
 to the Company, that the facts, so far as they relate to the alleged
 irregularities in the completion of the voyage, are not disputed.

The Company admit the correctness of the Return which has been **Irregularities in**
 presented to the House of Commons. From this Return it appears that in **completion of**
 the course of the last two years the packets have only kept their stipulated **voyages.**
 time of arrival at Southampton on three occasions; that they have some-
 times exceeded it by as much as fourteen or fifteen days; and that on the
 average of the two years they have failed to keep time by four days for
 each voyage.

We find also, from a Return furnished by a mercantile house in
 Liverpool, through the Postmaster of that place, which has been shown
 to, and corrected by, the Secretary to the Company, that in the three
 years from February 1850, to March 1853, the duplicates of letters from
 Panama despatched by way of New York were received in Liverpool
 sooner than the original letters forwarded by the Royal Mail Company
 were received at Southampton on twenty-nine different occasions; that
 on two occasions the letters and duplicates arrived on the same day;
 and that on thirteen occasions only have the letters been received before
 the duplicates. We subjoin a copy of this Return in the Appendix, from **APPENDIX (E).**
 which it will be seen that the deficiency of the Royal Mail service is most
 conspicuous in the early part of the period selected for comparison. It is
 not stated how far this comparison is affected by the priority in departure

WEST INDIES,
&c.

of the respective vessels. The Secretary admits, that before the Company's new ships could be constructed, the anticipation of the mail by way of the United States was frequent; but, he observes, that since September 1852, during which period the new steamers have been working, there have been only two instances out of fifteen (ten of which are shown in the Return, and five are of later date) in which the arrivals *via* Liverpool have anticipated those *via* Southampton. On the other hand, one of the witnesses whom we examined attributes this circumstance to an alteration in the time of the departure of the American vessels from Chagres. It has been alleged that in consequence of the frequent anticipation of the mail by the American vessels, many merchants have adopted the practice of sending their original letters by way of New York, and the duplicates by the Royal Mail Company's vessels, and of refusing the duplicates if their arrival has been anticipated, thus causing a loss of postal revenue to the Government. The Postmaster at Liverpool does not fully confirm this allegation, though he states that he is aware that several mercantile houses there receive their original letters by way of the United States, and that in a few cases the duplicates forwarded by the Mail steamers have been refused.

Delays in coaling.

We have examined the Reports furnished by the Admiralty agents on board the Royal Mail steamers during the last two years, with a view to ascertain the correctness of the allegation that too much time is taken up in coaling, and that vessels are delayed in order to wait for cargoes. We find that the time allowed in the Table of Routes for coaling at St. Thomas has repeatedly been exceeded. In many of the Reports the cause of the delay is stated to be "coaling and transferring cargo." The Secretary to the Company, in explanation of these delays, states that the process of coaling has been rendered uncertain by the difficulty which has sometimes been found in procuring labour, and that he is confident that the delays which have occurred have been occasioned by this circumstance, and not by any loss of time in transferring cargo, which he admits would be contrary to the spirit of the contract. He also states that in so complicated a service as that undertaken by the Company, it is frequently necessary to wait for the inter-colonial mails, and that the delays complained of are often to be thus accounted for.

Answer of the
Secretary.

In answer to the general charge of irregularity which has been advanced against the Company, the Secretary maintains that time is not of the essence of the contract. He contends that those engagements are fulfilled provided the Company furnishes the stipulated number of vessels, obtains the approval of them by the Admiralty Surveyor, despatches them from England on the appointed days, and does not permit them to stop, linger, or deviate from their course, without sufficient cause; and he argues that if a ship has been approved by the Surveyor, and if the Company work her to the utmost of her power, they would not be chargeable with any breach of their agreement, though she should take thirty days to accomplish a service which, according to the time tables, ought to be accomplished in ten days.

Proceeding upon this view of the contract, the Secretary then points out that the requisitions of the Admiralty with regard to the number and power of the Company's vessels have been much more than complied with. Notwithstanding the serious losses which the Company have sustained from the destruction of the "Amazon" and the stranding of the "Demerara," at the very commencement of their services, they have now seventeen steamers actually at work, and seven more in course of building or repairing, making a total of twenty-four vessels, of the aggregate power of 10,590 horses, instead of fifteen vessels of the aggregate power of 5,060 horses, as required by the contract; and their largest class of vessels, instead of being limited to 400 h. p. as specified in the agreement, consists of one vessel of 1000 h. p., and four others of 800 h. p. He further states, that in the course of about six months from the present time, he hopes that the losses sustained in the two cases above referred to will have been fully repaired by the completion of the new ships now in course of construction, and that it will then be in the power of the Company to adhere much more closely to the Table of Routes, though

he still considers it impossible in so complicated a service to insure precision, particularly as the Tables in their present form leave little time for contingencies. WEST INDIES,
&c.

The Company, however, in letters subsequently signed by their Chairman, admit that the time tables are part of the contract, and that any wilful departure from them would be a contravention of its stipulations, but they contend that a want of perfect exactness in times of arrival and departure abroad is inevitable, and constitutes no breach of contract, and that the tables were agreed to rather for the purpose of defining what both parties believed to be the probable performance of the voyages than as stipulations to be minutely observed. The Company proceed to urge in their behalf that they have fulfilled all the other conditions of their contract; that they have maintained the number and description of ships required; that none of them have ever been objected to by the Government surveyors; that they have been placed on their stations with regularity; that, except in cases of shipwreck, they have all performed their appointed routes. And of the Chair-
man of the Com-
pany.

With respect to the time tables, we are of opinion that no reasonable doubt can be entertained that they form part of the contract. They are connected with the clause which declares that the Contractors shall diligently, faithfully, and to the satisfaction of the Lords Commissioners of the Admiralty, and with all possible speed, convey the mails as mentioned in these tables of routes. Time tables are
binding on the
Company, and
ought to be
observed.

They are repeatedly referred to in other clauses of the contract in terms which clearly connect it with the body of the agreement; and if they were not part of it, several of the stipulations would be unintelligible. Thus provision is made for the time to be allowed for stoppages at ports "when no time is hereby specifically fixed," whereas there is no time specifically fixed in any part of the contract except in the table of routes; so, again, a fine is imposed upon vessels not starting at the appointed time, and as no time is appointed except by the table of routes, the provision would have no meaning if that table were not part of the contract.

In addition to these considerations of verbal construction, it appears to us to be clear from the whole spirit of the agreement that time is an essential part of it.

It is true that when the first contract was framed there had been no experience of transatlantic steam navigation which could have justified the Government in requiring the contractors to bind themselves to a specified speed and detailed periods of arrival, and accordingly time tables were not included in it, but reliance was placed on the size and power of the vessels and on the stipulations against loitering or delay; but when the contract was renewed in 1846 and again in 1850, it had become comparatively easy to ascertain what steamers could accomplish, and the reason urged by the Company on the latter occasion for renewing the contract was, that it would enable them to build vessels of the newest construction and to maintain that speed which the public have a right to expect in an important postal communication, and which is necessary for the preservation both of the postage revenue as well as for their own interest.

In the last contract, therefore, while regulations as to size and power of vessels were retained, there were no longer the conditions mainly relied on, but Tables of Routes, framed on the calculation of an average speed of from nine to ten knots an hour were adopted.

The Company may be correct in asserting that perfect exactness is not attainable on such long voyages. A circuit of 37,000 miles, including thirty-one stoppages, cannot be executed to an hour. But that degree of punctuality that might properly become the subject of a compact, and which must be understood to have been that to which the agreement of the Company bound them, the public have a right to expect. Delays arising from unforeseen causes, are specially exempted, but those which arise from mismanagement or deficiency of speed in the vessels, and which are so great or are so systematically repeated as to amount practically to a subversion of the engagement, do we conceive constitute violations of contract.

The reason suggested by the Company's Secretary for the addition

WEST INDIES,
&c.

of the Table to the contract is, that it was intended to serve as a guide to the colonial postmasters, in order that they might get their bags ready by the time appointed for the sailing of the packets. It is, however, obvious, that when the Time Table is systematically departed from, it is a cause of inconvenience, instead of advantage, to the colonial communications. This is clearly shown in the memorials from some of the colonists, and it is admitted by the Company's Secretary himself, that the Time Table as it is now worked is an inconvenience. He observes that it is founded on a too sanguine calculation, and that the system does not now work so well as it used when longer time was allowed, and that time better kept.

It requires little consideration to perceive, that in a complicated service like that to the West Indies, in which no less than thirty-one ports are embraced in the communications, and nine branch lines are worked in connection with the main one, a strict adherence to the Time Table is far more important, though it may also be more difficult, than in a single direct voyage. A day's delay in arriving at a particular port may render it impossible for the mercantile houses established there to answer their correspondents' letters till the following month, and the most serious inconvenience may thus be occasioned. However desirable it may be to quicken the communication between the main termini of the line, which was the main object of the Company in undertaking to increase the expense of their service, the Government would assuredly not have consented to any scheme of Routes for that purpose, unless such scheme had also professed to make due provision for the inter-colonial communications; and a systematic failure to keep to the times prescribed, however trifling the amount of each separate deviation may appear, must be looked upon as entirely subversive of the essence of the agreement.

We are satisfied that the Royal Mail Company has had great difficulties to contend with, and has made great exertions and incurred heavy expense towards establishing an efficient fleet of vessels. On the other hand, it has been treated with great indulgence by the Government, and large allowance has been made for its shortcomings in consideration of the unfortunate losses it has met with, and the interests involved in its maintenance. The subsidy which it receives is very large, and it has never been exposed to the competition of public tender. The abandonment of the North American branch within the first year of the contract, without any corresponding diminution in the subsidy originally granted has rendered the rate of payment per mile much higher than was agreed upon when the Company was first formed. It has, moreover, of late been very confidently asserted that several parties would be willing to undertake the service at a much lower sum than that now paid to the Company; but while the contract remains in force there are no means of testing the sincerity of such offers.

Deviations from
them to be strictly
watched,

Under these circumstances we are of opinion that while it would not be fair towards the Company at the present moment to determine the contract, or to inflict any penalty in respect of past deviations from it, the public interest nevertheless demands that a stricter course than has heretofore been followed with respect to such deviations should now be adopted. We consider that a careful watch should be kept upon the proceedings of the Company; that the Admiralty agents should be directed to report specially upon the causes of every deviation from the Time-Tables, and should any case of great irregularity again occur, or should minor infractions continue frequent, we think that the contract should be annulled.

and contract an-
nulled in case of
great irregularity.

Notice of this in-
tention to be given
to the Company.

Due notice should be formally given to the Company that it is the intention of the Government to adopt this course; and should the Company be of opinion that it is impossible for them to continue the service on such terms, an opportunity should be given them of re-opening the whole question of the arrangements, and of endeavouring to come to a more satisfactory agreement. In the existing state of the communications with various parts of the Continent of America, and with reference to schemes which are now in a state of some forwardness, we think it highly probable that more favourable terms might now be obtained for the con-

veyance of the mails on the West Indian line, and to Brazil, than those on which that service has been undertaken by the Royal Mail Company. We are therefore of opinion that the Government ought not to be satisfied with less than a strict fulfilment of the whole of the service now contracted for, or else a re-adjustment of the agreement on an entirely new basis.

In connection with the subject of this contract, we may take occasion to mention that we have had communications with Mr. Cunard, and Mr. Just, a Director of the Australasian Pacific Steam-Packet Company, on the subject of a proposed line from this country to Australia by way of the Isthmus of Panama. It is in the contemplation of Mr. Cunard, as we have already noticed in our report upon the Liverpool and New York line, to establish a line of packets from England to the Isthmus, and the Australasian Pacific Company are now making active preparations for opening their line from the Isthmus to Sydney, which they expect to do before the close of the year. They are now building five screw steam-vessels of 300 h. p. each, and propose running once a month between Sydney and Panama. Mr. Just stated that the Company would be glad to contract for carrying the mails at the rate of 8*d* per letter. He estimated the time of the service beyond the Isthmus at thirty-nine days, or, taking the whole voyage from England, sixty or sixty-one days between Liverpool or Southampton and Port Jackson.

It will be seen in our notice of the Australian service, that we think a further experience of the working of the line to Australia by way of the Isthmus of Suez is desirable, before entering upon the consideration of a line by way of Panama. It may, however, be expedient, when this Company has commenced its operations, to negotiate with it for the conveyance of one or more mails as an experiment.

This, however, is not the proper place for discussing the route from England to Australia. Our object in now referring to the proposals of Mr. Cunard and Mr. Just is to point out the material bearing which they have upon the position of the Royal Mail Company. Should Mr. Cunard establish a direct communication between England and Chagres, free from the embarrassments which attend upon the complicated service of the West Indies, he will probably draw all the traffic between England and Western America to himself, which will seriously injure the Royal Mail Company. On the other hand, should Mr. Cunard's line not be established, and should the Australasian Pacific Company work in connection with the Royal Mail Company, the profit which the latter will derive from the Australian traffic will no doubt be very considerable.

A proposal has also been made to the Government by the South American Steam Navigation Company, which is about to undertake a second communication in the month with Brazil, to carry the mails for the sum of 8,400*l.* per annum. We understand that this Company is about to commence its operations without reference to any subsidy.

The Royal Mail Company have remonstrated against the admission of a rival Company to the benefit of a subsidy from Government. We cannot, however, recognise in them any right to complain if such a step were taken. Their existing contract does not profess to give them a monopoly of the traffic, but simply assures to them a certain, and, as it appears, a liberal, subsidy in consideration of the performance of a particular service. We are, therefore, of opinion that it is quite open to the Government to consider whether they shall enter into an agreement with the South American Company.

But we do not think it expedient at the present moment that any contract for a term of years should be made with the new Company. Independently of the general objections which may be urged against involving the Government in subsidies guaranteed for long periods, it seems peculiarly desirable to abstain from committing it to any new arrangements with reference to the communications with Southern or Central America, until it appears whether the Royal Mail Company is able punctually to fulfil its engagements, or whether a new arrangement will become necessary. In the latter event the hands of the Government should be as free as possible.

Upon the whole we consider that the arrangements for the communi-

WEST INDIES,
&c.

Proposed line to
Australia by way of
Panama.

Its probable effect
on West Indian
service.

Proposed new line
to Brazil.

New contract not
recommended at
present.

Desirable to wait
till Australian line
decided on.

WEST INDIES, &c.
 ———
 cation with the West Indies are less satisfactory than those for the other great lines. The expense they involve is far more out of proportion to the receipts of the line than its relative importance appears to justify. We are, however, of opinion, that when the line to Australia has ultimately been decided upon, it will be easier to readjust the West Indian service than it would be at present. Should a communication be opened with Australia by way of Panama, the West Indian and Australian Mails might be carried out from England in the same vessel, and it would then only be necessary to provide for the inter-colonial service. Should it, on the other hand, be found better to send the Australian letters by way of Singapore or round the Cape of Good Hope, it would become a question whether the West Indian service might not advantageously be to some extent combined with the direct line across the Atlantic to the United States.

EAST INDIES
 AND CHINA.
 ———

East Indies and China.

(No. 11. Appendix B.)

See No. 6.

CHANNEL
 ISLANDS.
 ———

Channel Islands.

(No. 12. Appendix B.)

Date of contract. THIS contract was concluded in July 1848, by the Lords Commissioners of the Admiralty, and the New South Western Steam Navigation Company, after tenders had been publicly called for.

Its terms. The vessels for the service are to be of 120 h. p. at least, approved by the Admiralty, and not less than three in number. They are to run three times a week each way, and are to make the voyage to Guernsey within nine and to Jersey within twelve hours. Penalties are prescribed for not proceeding at the appointed times, and for delay; in the latter case, 50*l.* for each successive hour. A naval officer may be placed on board in charge of the mails, with the usual powers; or they may be entrusted to the commander. The plans of the vessels are to be submitted to the Lords Commissioners of the Admiralty; and the Contractors are bound to adopt such scantling, materials, &c., as the Lords Commissioners may deem requisite for carrying a suitable armament.

Subsidy, 4000*l.* The payment is 4000*l.* per annum; and the contract is terminable at six months' notice. Stipulated damages of 2000*l.* are to be paid in case of failure by the Contractors to execute the agreement.

Former subsidy, 2000*l.* Under the previous contract with the same Company for this service (1845), only 2000*l.* per annum was paid; and although the terms of that contract required vessels of 80 h. p. only, those which were actually in use were of the same power as the present. That contract was terminated by the Company, who tendered for renewing the service at 5000*l.* Other tenders were invited but none were sent in, and the Company ultimately accepted 4000*l.*

Character of the service. The irregularities on the line have not been frequent or serious. Six cases of delay have occurred since the commencement of the present contract: three caused by stress of weather, two by accidents to machinery, and one by a death on board. The service therefore appears to have been satisfactorily performed.

Representations were received from Jersey in 1851, in favour of more frequent postal communication with England; but we have been informed

that an acceleration of the mails by dispatching the packets from Southampton two or three hours earlier, so as to insure to correspondents the power of replying conveniently to their letters by return of post, would meet the wishes of the community generally. It is possible that this might be done without inconvenience or expense; but if not, we do not recommend that the present contract should be terminated with the view of entering upon a new one.

According to the accounts taken in April 1853, the gross inland postages for a year on the whole of the correspondence, paid and unpaid, sent to and received from the Channel Islands, amounts to 7,423*l.* 4*s.* 0*d.*; and the gross foreign, colonial, and ship letter postage, calculated in like manner, amounts to 3,260*l.* 15*s.* 0*d.* The total gross postage on the whole inland, foreign, colonial, and ship correspondence being 10,683*l.* 19*s.*

The expenditure for postal services in the Islands for one year, ending the 5th January, 1852, was 1,247*l.* 11*s.* 2*d.*

The expenditure for the packet service is, per annum, 4,000*l.*

CHANNEL
ISLANDS.

Pacific.

(No. 13. Appendix B.)

PACIFIC.

THIS contract, which was signed in September 1850, is an extension of a former one made in 1845. Date of contract.

The Pacific Steam-Packet Company obtained a Royal Charter, and commenced a communication between the chief ports on the western coast of South America in 1840. But notwithstanding that they were in possession of exclusive privileges from the South American Governments, and received postage upon letters conveyed between those foreign Governments, they found their enterprise unremunerative, and incurred heavy losses until they obtained a contract with the Home Government. They still receive postage upon such correspondence as is specially intrusted to their own agents for conveyance between foreign ports.

The contract requires not less than six steamers to be provided, of not less than 170 h. p. In November 1850 the Company proposed to increase their rate of speed, and for that purpose to employ steamers of 350 h. p. and 1000 tons; and represented that four such vessels would be sufficient to perform the whole service. They obtained leave to perform the service with four such vessels. In February 1853 the Company represented to the Board of Admiralty that the expense arising from the greatly increased freight of coals rendered the portion of the line between Callao and Panama unremunerative, and entailed a severe loss; and they requested a corresponding increase of subsidy—this was refused. They then solicited permission to employ between Callao and Panama vessels of only 100 h. p. and 400 tons, which they considered would be sufficiently large for the passenger traffic, and would restore the balance of profit by reducing the cost of fuel. They undertook that these vessels should be capable of maintaining an average speed of ten knots an hour, and that the mail service should in no respect suffer from the change. As this alteration would not diminish the rapidity of the communication, and would in no degree weaken the force of the stipulations as to time, the Board of Admiralty did not think themselves justified in refusing, but agreed to it temporarily, reserving to themselves the power of reverting to the original agreement whenever they should think fit. Its terms.

When the Royal Mail Company doubled their communication with the Isthmus of Panama, the Pacific Company considered it necessary also to double their corresponding line, even though they only obtained an addition of one-fourth to the subsidy they had previously received.

<p>PACIFIC.</p> <hr style="width: 20px; margin-left: 0;"/>	<p>Besides the desire of extending the benefit of this double communication with England, there appears to have been some apprehension on their part that the want of steam communication in the Southern Pacific to correspond with the alternate fortnightly voyages of the Royal Mail Company, might bring upon them competition from some of the steamers running between the Isthmus of Panama and California belonging to residents in the United States.</p> <p>Under the first contract the Company despatched three vessels once a-month, and received a payment of 20,000<i>l.</i> a-year; under the present one they send their vessels twice a-month to correspond with the fortnightly arrivals and departures of the steamers of the Royal Mail Steam-Packet Company at the Isthmus of Panama, and they receive 25,000<i>l.</i> a-year, which is at the rate of 3<i>s.</i> 10<i>d.</i> a mile.</p> <p>They touch at thirteen ports between Panama and Valparaiso inclusive.</p> <p>The contract is terminable on April 1, 1860, or on any subsequent day of which a twelve months' notice shall have been given.</p> <p>The usual stipulations are contained in it.</p> <p>The estimated amount of receipts on account of postage, for one year, upon the conveyance of mails between Panama and ports in the Pacific, is 5,441<i>l.</i></p>
<p>Subsidy, 25,000<i>l.</i> Mileage rate, 3<i>s.</i> 10<i>d.</i></p>	<p>No breaches of contract are recorded, and no complaints of irregularities have been brought under our notice.</p> <p>This contract differs from all others, in that the vessels employed under it do not touch at any part of Her Majesty's dominions; though practically, it must be considered as providing only a continuation of the line which terminates at Southampton. The extension of British influence and British commerce appears to have been the chief inducement for supporting this communication between the Republics of New Granada, Bolivia, Peru, and Chili. In the chief towns of those countries, English mercantile establishments exist, and are said to place a high value upon the maintenance of this line. As the contract has so many years to run, we have no recommendation to offer with respect to it.</p>
<p>Character of service.</p>	

CAPE AND
CALCUTTA.

Cape of Good Hope and Calcutta:

(No. 14. Appendix B)

<p>Date of contract.</p>	<p>THE contract with the General Screw Steam Shipping Company for the conveyance of the mails once a month between England and Calcutta, by way of the Cape of Good Hope, was made on the 20th May, 1852, for a term of seven years, and thenceforward from year to year, determinable after the expiration of the term at a twelvemonths' notice.</p>
<p>Subsidy, 42,144<i>l.</i></p>	<p>The subsidy is 50,000<i>l.</i> for the first year, 45,000<i>l.</i> for the second, and 40,000<i>l.</i> for the third and every succeeding year, which amounts on the average to 42,144<i>l.</i> per annum for the term of seven years, and to a mileage rate of about 3<i>s.</i> 5<i>d.</i> on the distance accomplished.</p>
<p>Mileage rate, 3<i>s.</i> 6<i>d.</i> Terms of contract.</p>	<p>The receipts for postage on this and the following line (No. 15), are estimated for one year at 14,930<i>l.</i></p> <p>The Company are bound to carry on the service in vessels of not less than 1400 tons burden and 233 h. p., fitted with screw-propellers, and of such construction, strength, and equipment, as to be fit and able to carry and fire such an armament as the Government may consider suitable and requisite.</p> <p>Each vessel is also bound to maintain an average speed of not less than eight knots an hour.</p>

The usual provisions are inserted with reference to the appointment and authority of Admiralty agents, and there is a stipulation that as long as they are required by the Government to be conveyed on board the Company's vessels, a sum of 1400*l.* per annum shall be paid as a compensation for the expense they occasion.

CAPE AND
CALCUTTA.

The provisions relative to the Admiralty survey of the Company's vessels, the power of purchasing or hiring them at an arbitrated amount, of requiring them to carry officers (civil and military), soldiers, baggage, stores, and ammunition at reduced charges, and the assignment of the postage to the Postmaster-General, are generally the same as in other contracts.

The Company are subject to penalties if the vessels delay in starting, or linger or deviate from their course, except in case of stress of weather; and they are liable to a fine of 30*l.* if they fail to despatch a vessel from any port at the appointed time, and to a further penalty of 10*l.* for every successive hour's delay. The general penalty for failing to perform the contract is 6,000*l.*, and the Lords of the Admiralty have the power of putting an end to the agreement without previous notice, in case of such failure.

This contract replaces one which previously existed with the same Company for the conveyance of the mails from England to the Cape of Good Hope by way of Sierra Leone, for a subsidy of 30,700*l.* per annum.

The circumstances under which the new contract was made are stated in a letter addressed by us to your Lordships on the 18th March last, which will be found in the Appendix to this Report. At the time that letter was written the Company were petitioning the Government to grant a large increase to their subsidy, in consequence of the increased price of coals. It was stated to us by Mr. Ellis, the Chairman of the Company, that it was necessary to the continuance of their operations that the subsidy should be raised from 42,000*l.* to 80,000*l.* per annum, or if the service to Ascension could be dispensed with, a smaller increase, but still not less than 26,000*l.* or 28,000*l.*, might enable them to maintain the line. Mr. Ellis very strongly pressed upon us that the Company had not brought forward this complaint "until they thought they saw very clearly that there were no redeeming chances before them for some time to come;" and he stated that, although he could not speak for the shareholders, the mind of the Directors clearly was that if the addition were not granted the contract must be given up.

APPENDIX (F).

Application of
Company for in-
crease of subsidy.

We reported to the Lords of the Treasury our opinion that this application ought not to be entertained, and we understand that it was declined accordingly; but we have not heard that the Company have in consequence abandoned the contract.

Should not be com-
plued with.

With reference to the fitness of the vessels belonging to this Company for the purposes of armament, we have to call attention to the second Report of the Committee of Naval and Artillery Officers, in which it is stated that inasmuch as all these vessels are constructed of iron,—a material not suitable for vessels of war,—the Committee have not thought it necessary to institute any special inquiry into their efficiency in other respects. There is nothing in the contract to restrain the Company from the use of iron vessels, but it appears that their having employed this material, has in effect defeated the intention of the provision in the contract.

Employment of
iron vessels.

The contract having still six years to run, and no violation of its provisions having been brought under our notice, we have no suggestions to offer with respect to it.

CAPE
AND NATAL.

Cape of Good Hope and Natal.

(No. 15. Appendix B.)

- Date of contract.** THE General Screw Steam-Shipping Company is also bound by another contract, dated August 10, 1852, for the conveyance of mails once a month, each way, between the Cape of Good Hope and Port Natal, for which purpose they are to maintain not less than two iron steam-vessels, of at least 300 tons burden, fitted with screw-propellers, and supplied with engines of not less than 40-h.p. The vessels are to be of such construction, strength, and equipment, as to be fit to carry and fire one pivot and four broadside guns.
- Its terms.** The contract contains the usual provisions as to the Government approval of vessels, the appointment and powers of Admiralty agents, the conveyance of officers—civil and military—troops, baggage, and stores, and the right of the Government to purchase or hire the Company's ships at prices to be fixed by arbitration.
- There is moreover a special clause giving the Admiralty power to survey the Company's vessels from time to time, as often as they may think fit.
- Penalties are imposed for lingering or deviating from the right course, and for not keeping the time of departure. There is also a general penalty of 1000*l.*, and the usual provision for determining the contract in case of a breach of its conditions.
- The contract is to remain in force till 1859, and thereafter from year to year; but in the event of the determination of the contract for the Calcutta line, this contract is also to be terminable.
- Subsidy, 3000*l.*, paid by the colony.** The annual subsidy is 3000*l.*, but though the contract was made by the Imperial Government, and is under its superintendence, the subsidy is repaid by the Colonial Treasury.
- Such receipts for postage as the Post Office bring to account, are included in the report upon the former line (No. 14).
- We have no suggestions to offer on the subject of this contract.

AUSTRALIA.

England and Sydney, New South Wales.

(No. 16. Appendix B.)

- Contract has been annulled.** SINCE the commencement of our inquiries, the contract under which this service was undertaken by the Australian Royal Mail Steam Navigation Company for the annual payment of 26,000*l.* has been annulled by the Lords Commissioners of the Admiralty, owing to the inability of the Company to fulfil their engagements.
- The circumstances which led to this step were fully detailed to your Lordships in our report of the 16th March last, a copy of which will be found in the Appendix. It is therefore unnecessary to recite the provisions of the contract, but we think it right to state shortly the considerations which, in our opinion, should guide the Government in providing for the service which has thus lapsed.
- APPENDIX (G).**

The only certain and regular communication which is now secured between this country and the Australian colonies is that which takes place once in each alternate month by means of the vessels of the Peninsular and Oriental Company, *via* Suez and Singapore. The communication in the other six months of the year remains unprovided. We are of opinion, however, that it is not advisable that any new contract for a term of years should, at present at least, be entered into for the postal service of the Australian colonies; and this, not only on account of the high rate of wages and freight, and the high price of all materials connected with shipping, but also for the following reasons:—

AUSTRALIA.
Not desirable to enter into new one at present.

Even assuming that a contract of long duration were desirable, it is altogether doubtful which of the routes to Australia—that round the Cape of Good Hope, that by Suez, or that by Panama—will eventually offer the greatest advantages. At the same time, although the doubt exists at present, it will probably be resolved before many months are over.

Best route doubtful.

The route round the Cape of Good Hope cannot be said as yet to have had a complete trial. The vessels of the Australian Royal Mail Steam Company did not, from various causes, afford a fair test of the certainty or the speed with which that voyage can be accomplished; but several private steam-vessels have recently left England bound for Australian ports, and others are about to do so; and when further experience shall have been had of the time in which they make their passages homeward as well as outward (for there is great difference between the two), it can be more easily judged what relation this route bears to the others.

Route by the Cape

The same holds good, to a certain degree, in the case of the route to Suez. The first mail for Australia, under the contract with the Peninsular and Oriental Company, left England only on the 4th of March, and the first return mail may be expected to have left Sydney about the 20th of May. Therefore experience of this route also has to be gained; although as letters from Melbourne brought by vessels on the sole account of the Company, have already been received by it in sixty-eight and sixty-four days, it may be hoped that the result will prove satisfactory.

By Suez.

As regards the route by Panama, we are informed that the vessels of the Australasian Pacific Company, intended to run between Panama and Sydney, are in a state of great forwardness, and that five are in course of construction, of which the first will, as we are informed, be ready to proceed to its station in July. In the meantime, we are assured by one of the managers of the Company (Mr. Just) that he expects that the passage between Panama and Sydney will be accomplished regularly in thirty-nine days, including stoppages at Otaheite and New Zealand.

By Panama

This line is to be established without any subsidy: the Government therefore will have the advantage of seeing the merits of the route tested by private enterprise, and of judging whether it is well suited for postal purposes. If so; the service of the Royal Mail Steam-Parcel Company to Chagres would at once connect it with this country; or the line contemplated by Mr. Cunard between New York and Chagres, and by which he expects that port will be reached in twenty-one days from Liverpool, will, if established, serve that purpose. Both Mr. Cunard and Mr. Just are desirous of having the mails entrusted to them; and both are disposed to receive by way of payment a certain proportionate part of the postage collected.

Australasian Pacific Company.

We think that under these circumstances it would be unwise in the Government to bind the General Post Office for a term of years, however few, to the use of one line in preference to another.

But, further, we are of opinion that the great amount of shipping of the highest class, including steam-vessels, at present engaged in the trade between England and Australia offers the means of ascertaining whether arrangements equally efficient and more economical may not be adopted in place of the present contract packet system, so far at least as communication with that colony is concerned.

New arrangement proposed by Postmaster-General.

The principle of these arrangements has been stated to your Lordships in a letter from the Postmaster-General of the 25th April, 1853,

AUSTRALIA. printed in the Appendix, and is shortly this That the days and ports
 APPENDIX (H). of departure should be settled some months in advance; that a fixed sum
 should be assigned as the payment for each voyage; and, that tenders
 should be invited for one or more voyages, that tender being accepted
 which undertakes to perform the service in the shortest time, subject to
 certain conditions prescribing fines for delay of departures, and for every
 day by which the period shall be exceeded; and that as respects the
 return mails, the arrangements should be left to the discretion of the
 authorities in each colony.

This scheme having been already sanctioned by your Lordships, we
 will only add that we recommend that it should receive a full trial,
 modified if necessary in respect of any details which may call for improve-
 ment.

Comparison of
 steam and sailing
 vessels.

It is probable that its adoption may lead to the Mails being occasion-
 ally intrusted to sailing-vessels, and not to steam-vessels. We do not
 anticipate any serious disadvantage from this at present. The time
 occupied by the steam-vessels which have hitherto run between England
 and Sydney has varied from 76 to 120 days. The length of passage by
 fast-sailing vessels between England and Port Philip may be said to be
 from 82 to 110 days. The fact that the difference is so small is mainly
 attributable to the circumstance that upon reaching a latitude south of
 the Cape of Good Hope, ships fall in with westerly winds which prevail
 throughout the rest of the passage, and give an advantage to sailing-
 vessels over vessels that rely mainly upon their steam-power.

We feel that a consideration of the various circumstances above
 mentioned justifies us in recommending that no renewal of a contract for
 a term of years, in place of that lately annulled, should for the present be
 attempted.

WEST COAST
 OF AFRICA.

West Coast of Africa.

(No. 17. Appendix B.)

Date of Contract. THIS contract was made in 1852. It had previously been publicly
 advertised, and two tenders were made in accordance with the published
 conditions; they were both declined, and the present contract was arranged
 by private negotiation at a lower sum than either of the tenders.

Subsidy, 23,250*l.* The payment provided is 23,250*l.* for the first year, and is to diminish
 by 500*l.* in every successive year during which the contract continues. It
 may be terminated in September 1862, or any subsequent day on which a
 twelvemonth's notice from either party shall expire.

Terms of contract. The estimated annual amount of postage receivable is 2,646*l.*
 A sufficient number, but not less than three screw steamers, are to be
 provided. They are to be of not less than 700 tons register and 220 h. p.
 and are to convey the mails at a speed which, on the average of the voyages
 of each vessel, shall be not less than eight knots an hour. The voyages
 are monthly.

The usual provisions are inserted in this contract, except that the
 sum stipulated for the passage-money to be paid by officers and troops is
 not lower than the ordinary fares.

Character of service. As the importance of this line arises from the effect it may have in
 extending the relations between this country and the settlements and
 native territories of the West Coast of Africa, and in promoting the sub-
 stitution of legitimate commerce for Slave Trade, the steamers are to touch

at every port where trade is carried on between Goree and Fernando Po inclusive. WEST COAST OF AFRICA.

There have been irregularities arising from the delay in obtaining pilots at the entrance of the rivers and from the difficulty of obtaining canoes to land the mails, but it is expected that this part of the service will be better organized after there has been more experience.

Mr. Macgregor Laird expresses a hope that after the expiration of this contract the line may become self-supporting.

Dover, Calais, and Ostend.

(Appendix B.)

DOVER,
CALAIS, AND
OSTEND.

THIS is the only service which is not done by contract.

The mail service between England, France, and Belgium is divided between the packets belonging to the respective Governments. The night-mail is conveyed between Dover and Calais by the British packets, and the day-mail by the French packets. Service performed by Government steam-vessels.

The mails which pass only once a-day between Dover and Ostend are conveyed, on three alternate days of the week, in British packets; and on the four remaining days, including Sunday, by the packets of the Belgian Government.

Four steamers are kept by the Admiralty on this station fully manned, and two spare steamers to take the place of any that may be under repair or withdrawn.

The service appears to have been satisfactorily performed as regards both mails and passengers; but as a line on which there is so great a passenger traffic may be expected to be self-supporting, and as the receipts from passengers' fares and freight of parcels do not cover the cost and expenses of the packets, we recommend that tenders be publicly invited, in order to ascertain whether a contract may not be formed by which the service may be done with greater economy, and under stipulations that would prevent any diminution of punctuality and efficiency. Tenders be called for. Service to be performed by contract.

On a review of the System of Communications which has thus been described, it will be seen that they may be divided under four heads: Review of our packet communications.

First, those which complete the Inland Mail service of the United Kingdom, including the lines between Liverpool and the Isle of Man; Holyhead and Kingstown; Aberdeen and Lerwick; and Southampton and the Channel Islands.

Secondly, those which lie between England and her Colonies, or between one Colony and another, including the lines to India, Australia, the Cape of Good Hope, the West Indies, and, in part, the line to North America.

Thirdly, those which lie between England and Foreign countries, including the lines to the United States, to Brazil and the Foreign West Indies, to the Peninsula, to the West Coast of Africa, and to China.

Fourthly, those between different Foreign ports, of which the only instance is the Pacific line between the ports on the West coast of South America.

1. Inland mail service.

Not to be judged by the rules applicable to that over sea.

In the case of the first of these four classes, no attempt is made by the Government to compensate the expense of maintaining the lines by levying a sea-transit postage upon the correspondence conveyed. In fact, those services must be viewed as forming a necessary part of the Inland Postal System of Great Britain, and cannot be examined or tested, as to cost and profit, by the rules which apply to the Colonial and Foreign services. In the case of the Isle of Man, the postage collected covers the cost not only of the packets, but of the land-establishment of the Post-Office in the island. In that of Shetland the payment for the sea-service alone exceeds the postage collected; and in that of Orkney, the expense of conveying the Mails to the Islands, and of the Postal service within them, is considerably greater than the revenue received.

We do not say that on this account the present services should be curtailed, or even that it may not be right to extend and improve them; but the considerations which may make this desirable are such as do not appear to call for an opinion of this Committee. The development of agricultural and commercial resources; the interests of shipping frequenting certain harbours; and claims founded (as in the case of Shetland and Orkney) upon the scanty amount of favour and assistance hitherto received from Government, are matters of general policy, upon which we do not pronounce any judgment. We have considered it sufficient to state the present condition of each service, and to point out any particulars which would have a direct bearing upon its alteration or extension.

The second class is by far the most important.

2. Colonial service.

Its extent.

Three-fourths of the whole annual subsidy granted by the Government for the Packet Service are paid to three great Companies,—the Peninsular and Oriental, the Royal Mail, and the Partnership of Messrs. Cunard and Co. The first has for its chief object the maintenance of frequent and regular communication with the British possessions in India and the Eastern Seas. The second is mainly designed to keep up that with our West Indian dependencies. The third, besides embracing a highly important foreign service, brings us into close contact with our North American provinces.

Its importance

The value of the services thus rendered to the State cannot, we think, be measured by a mere reference to the amount of the Postal Revenue, or even by the commercial advantages accruing from it. It is undoubtedly startling, at first sight, to perceive that the immediate pecuniary result of the Packet System is a loss to the Revenue of about 325,000*l.* a year; but, although this circumstance shows the necessity for a careful revision of the service, and although we believe that much may be done to make that service self-supporting, we do not consider that the money thus expended is to be regarded, even from a fiscal point of view, as a national loss.

In a military sense.

If the greatness of this country depends in any degree upon the maintenance of her Colonial empire and the command of the sea, it is obvious that she must be prepared to expend considerable sums upon the defence of her distant possessions. The total amount which will be required for this purpose must, to a great extent, depend upon the ease and rapidity with which the force we possess can be made available at any place where it may be wanted at a short notice. A system of communication which supplies regular and early intelligence of all that is going forward in each quarter of the globe, and which enables orders to be rapidly sent out and rapidly executed, necessarily tends to economy of military expenditure, because it tends to the concentration of military force, and also enables the Government by timely action to avert the necessity for the employment of such force at all.

Packets how far available for war purposes.

An erroneous impression appears to have prevailed among the public as to the efficiency of our Postal Steamers for direct purposes of warfare. We do not believe that those who are charged with the direction of the military affairs of the country have ever regarded them as likely to be of

any great service in an engagement; but their advantages as an auxiliary force will be very considerable. They will be available, in the event of the breaking out of hostilities, for the rapid conveyance of despatches, of specie, and, to a certain extent, of troops and stores. Their speed will be such as probably to secure them from the risk of capture, and will render them highly valuable for procuring intelligence of hostile movements. They may also be expected to furnish the Queen's ships with men trained to steam-navigation, and possessing an amount of local knowledge which cannot fail to be valuable in several ways.

Again; it is not only in a military sense that rapidity of communication between all parts of the British Empire tends to increase its security. While the Mother-country continues to exercise any control over the proceedings of the Colonies, the inconveniences attending the delay of correspondence are severely felt, and speedy communication is of the highest consequence to the preservation of satisfactory relations between them. Its importance with reference to emigration, and the maintenance of correspondence between the emigrants and their friends at home, is too obvious to be overlooked.

Lastly; the commercial relations which the Postal System is so well calculated to foster between all parts of the world are peculiarly valuable in the case of the Colonial communications, inasmuch as they not only add to the national wealth but serve as a bond of union between the Mother-country and her dependencies.

With regard to the details of the Colonial service, we are of opinion that a great arterial line to India by the Overland Route, and a direct line to the North American provinces, are of national importance, and ought to be maintained, even if they should prove permanently unremunerative; that the best mode of communicating with Australia has yet to be discovered by experience, and that for the present it would be imprudent on the part of the Government to bind themselves further to the permanent use of any one route; the best arrangements for the service of the West Indies cannot be determined upon without reference to the decisions to be hereafter arrived at respecting the communication with Australia by way of Panama. The only remaining Colonial line of importance is that to the Cape of Good Hope, which, under present circumstances at least, appears worthy of being maintained, even at some cost to the country.

Of the Foreign services, for which provision has been made, several are connected with, and subsidiary to, Colonial lines. The continuation of the Cunard line to the United States is a measure of economy, as it is only by such continuation that the North American line can be made in any degree remunerative. The service to China is also, we believe, the most remunerative portion of that undertaken by the Peninsular and Oriental Company: and the same may be said of the Foreign services of the Royal Mail Company.

The service to the Peninsula is important in a political point of view. We have stated the contingencies upon which it may be dispensed with.

The service to the West coast of Africa is of great importance to the national object of suppressing the Slave Trade and promoting legitimate commerce, and ought on that account to be maintained.

The service between the ports on the Western coast of South America may, to a certain extent, be considered as a continuation of the West Indian line.

We now proceed to report upon the matter to which, in the last place, the minute of your Lordships directs our attention, viz.: "The construction of a system of account under which the receipts and charges of each line of packets may be accurately and clearly stated for the consideration of Parliament, instead of the present very defective arrangements, under which, while the charge is presented together with the Navy Estimate, the receipts are carried to the credit of the General Post Office Revenue, without any means of distributing it according as it is derived from the land and over-sea service respectively."

G

Other advantages
of colonial mails.Conclusions as to
the great colonial
lines.

3. Foreign service.

United States.

China.

Brazil and Gulf of
Mexico.

Peninsula.

West Coast of
Africa.

Pacific line.

System of account.

House of Commons,
No. 564, 1843.

House of Lords,
No. 225, 1847.

This is a matter which has already been investigated by Parliament:— in 1843, by a Committee of the House of Commons appointed to inquire generally into the postal measures then in force, by whom, however, no opinion on the matters submitted to them was given; and in 1847 by a Committee of the House of Lords, appointed at the motion of the Earl of Ellenborough for the purpose of examining this particular branch of Post Office management. This last Committee reported as follows:—

“As respects the form in which the Post Office accounts are kept, the Committee are compelled to come to the conclusion, that it would not be possible so to keep the accounts as to afford the means of distinguishing with perfect accuracy the receipt and expenditure under the several heads of Domestic and Transmarine Postage; and that the attempt to attain such accuracy would be attended by a large increase of cost, and much delay in the distribution of letters, which would not be compensated by any commensurate advantage.

“It is possible, however, now to distinguish, with sufficient correctness for all practical purposes, the receipt and expenditure under the several most important heads of Transmarine Postage.”

We find that circumstances have in no respect altered since the evidence was taken upon which the above Report is founded, except indeed that the gross total of the correspondence of the United Kingdom has increased by 27 per cent. since 1847*; and that, whereas in that year the number of Foreign and Colonial Packet Mails made up monthly at the General Post Office (without reckoning those sent daily to France and Belgium) was 30, it has now been augmented to 42—the same number being also received for delivery.

Difficulties in
preparing a satis-
factory one.

There are two principal difficulties which oppose themselves to the construction of such a system of account as that which your Lordships describe.

1. As regards receipts, the constant and serious delay in the delivery and despatch of the Foreign and Colonial Mails, which would arise from the attempt to take regular and accurate account of the postage received upon letters sent by each line of packets.

2. As regards charges, the fact that the subsidy paid to each line does not admit of being separated into expenditure for postal service, and expenditure incurred for other purposes; although in most cases the whole sum far exceeds that which would be paid if the service of the Post Office alone were considered.

Regular accounts
cannot be taken.

In explanation of the first of these impediments, we beg leave to quote the following extract from a letter addressed to your Lordships' Board upon this subject by the Postmaster-General on the 19th of March last:

“The outward mails being despatched at fixed periods, offer the least difficulty; yet many of these mails have now become so large, and the separate divisions in which they are made up are so numerous, that the pressure at the time of closing is such as not only to render delay frequently unavoidable, but also to endanger the correct sorting and transmission of the correspondence; whilst the necessary employment of additional hands, by dividing the responsibility, tends to impair the check upon the officers engaged in the duty.

“As regards the mails arriving from abroad, the uncertainty of the time at which they are received renders the task one of still greater difficulty. Sometimes a mail reaches the General Post-Office at a time of the day which makes it our duty to use every effort to get the London portion of the letters delivered during business hours. Sometimes the utmost

* Chargeable letters delivered in the United Kingdom, were, in the year 1847, 822,146,243. During the first four months of 1853 they have been delivered at the rate of 409,000,000 per annum.

exertion must be made to despatch the country letters by the first succeeding morning or evening mail from London, in order that they may not lie several hours in this office; and I need not remind your Lordships how loud are the complaints of the public (who easily learn at what time the mail has been received), when, notwithstanding all our endeavours, the desired object cannot be accomplished.

“Frequently a heavy foreign or colonial mail will arrive in the morning on which another heavy mail is about to be despatched; and it would then be quite impossible to take the account desired, without greatly delaying the delivery of the one and the despatch of the other. Not only would an increased number of hands be necessary, but a large amount of additional space would be indispensable; for even under existing circumstances that department of the office in which such work would be performed is so crowded that the present ordinary duties can with difficulty be discharged.

“The arrangement for despatching the morning mails to the North at an earlier hour, which came into operation on the 1st instant, has brought to light a further impediment to the keeping of such accounts; for it has been necessary more than once that the letters received in the second mail from France should be checked, taxed, stamped, sorted, and made up into bundles for transmission to the country, within fifteen minutes of the time at which the mail reached this office. Had it been required to take an account of the postage, all these letters must have been delayed until the evening despatch.”

We are of opinion, however, that, although a return of the receipts But an estimate ;
may be framed. for Packet Postage throughout the year is not attainable, and an accurate balance of the profit and loss from the packet contracts cannot therefore be struck, an estimate may nevertheless be framed for each year, which shall approach sufficiently near to the truth to enable Parliament to judge of the growth of the foreign and colonial postage, and its general relation to the annual expenditure upon the lines of packets. The basis upon which such an estimate should be framed is an account of each mail, outwards and inwards, taken for some one month of the year; the task being entrusted to selected officers, whose whole attention, together with any assistance which they may require, should be concentrated for the time upon the mail under examination. With these precautions the inconvenience which may result to particular interests will at all events be of the shortest possible duration and of very rare occurrence; and may, we think, fairly be held to be compensated by the value of the information obtained.

From the proceeds of one month thus ascertained those of the year may be calculated: and we believe that an estimate thus formed will be found not only more practicable, but more trustworthy than a return taken continuously throughout the year; because in the latter case it would be necessary to rely upon the skill and care of a much greater number of hands, without the possibility of applying any satisfactory check to their work. Such an estimate as we have described has been prepared for the current year, and will be found in the Appendix, with explanation of the data and calculations upon which it is based. It will be seen that the amount of postage received is not the only uncertain element in the calculation: in the case of a letter passing between Great Britain and a colony or foreign country, the proportion of its postage which may be fairly charged for the British Inland service cannot be demonstrably shown; although it is clear that something is due to the General Post Office of this country on that account, because whilst all letters, foreign or inland, are received, stamped, sorted, and otherwise dealt with, by the same hands, it is certain that, both in respect of sorting, and in the accounts which they render necessary with Foreign Governments, foreign letters, in proportion to their number, cause more trouble and consequently more expense than others. In the estimate appended this greater labour has not been considered, but 1½d. has been assumed as the portion due to the British Office; that being the mean between the

APPENDIX (I).

paid and unpaid rates and the letters of each class being, in the case of foreign and colonial mails, nearly equal in number.

Difficulty of apportioning the expense of the services.

In regard to the second difficulty to which we have called attention, viz., that of apportioning to the General Post Office its fair share of the subsidies paid under contract to the several lines of packets, we are unable to suggest any complete solution of it.

Your Lordships have seen from our Report that in framing these contracts various objects have entered into the consideration of the Government, the cost of which ought not in our opinion to be charged upon the revenues of the General Post Office. A simple comparison of the receipts and expenditure upon some of the lines is in itself sufficient to prove this. If the Post Office is to be considered as a department producing revenue, it is not to be supposed that a line of vessels which costs the State 240,000*l.* a-year, and brings in no more than 56,062*l.* (as is the case with the West Indian packets), or one for which 25,000*l.* is annually paid, and which returns little more than one-fifth of that sum (as the Pacific line), can be maintained as a part of its machinery; and, in fact, the contracts for many of the services have been made without reference to any estimate or opinion on the part of the Postmaster-General of their probable value as postal lines.

House of Commons, No. 708, 1838.

Conveying Newspapers.

It is also to be observed that although the present arrangement, under which, while the charge is presented with the Navy estimates and accounts, the receipts are carried to the credit of the General Post Office revenue, is defective as between the Board of Admiralty and the General Post Office, yet it leads to a result closely approximating to the truth as regards the expenditure and receipts of the latter department. This arises from the fact that whilst, on the one hand, the General Post Office receives credit for the earnings of the packets without being charged with their cost, on the other, none is given to it on account of the duty on Newspapers, which was expressly retained as a postage charge. This duty in the year ending January 5, 1853, amounted to 412,956*l.* The labour and expense of the conveyance of Newspapers is very great. In number they are believed to be equal to more than one-fifth of the number of letters; in weight and bulk they are twice as great as the letters. The number posted in London alone is about 770,000 weekly; and the preparation of them for despatch by the night-mails occupies about 240 men.

System proposed.

If, therefore, it were sought to correct the present system of account by transferring the charge of the packets from the Admiralty to the General Post Office, it would be necessary not only to reduce that charge in consideration of the objects not essential to the postal service, for which much of it has been incurred, but to bring to the credit of the General Post Office the produce of the stamp-duty on Newspapers.

In lieu of the existing arrangement, however, we would submit that the Lords of the Admiralty should be required to forward annually to your Lordships' Board a statement showing the various services under their control connected with the Post Office arrangements, together with an Estimate of the expense of those services for the ensuing financial year. Upon the receipt of that statement and Estimate it should be referred to the Postmaster-General for a Report showing the progress and changes made in the postal service of the kingdom during the preceding year, the increase or decrease in the productiveness of its several branches, including that of the packets, and furnishing an Estimate of the receipts similar to that in the Appendix (I).

The total amount of Post Office packet revenue exhibited in that Estimate might either be brought in aid, and abated from the gross packet expenses furnished by the Admiralty, and a vote taken in the Miscellaneous Estimates prepared at the Treasury for the balance required beyond the revenue of the postal services; or the entire gross vote should in future be included in the Civil Miscellaneous Estimates submitted to Parliament by your Lordships.

Should either arrangement be approved, the settlement would become a mere matter of account between the Treasury, the Admiralty, the Post

Office, and the Contractors; the latter being paid as at present by the Admiralty out of funds placed to the credit of the department. Should the first suggestion be adopted, the funds should be provided from the Post Office revenue and from the miscellaneous vote of Parliament; or in the second case, solely by a transfer from the Exchequer.

Much information useful to Parliament would thus be presented with the Miscellaneous Estimates in a compact and convenient shape, and the financial profit or loss to the State upon each line would be exhibited more clearly and satisfactorily than has hitherto been the case; but for the reasons stated it could not assume the form of an actual account of receipts, or furnish an accurate balance with the precision which is expected in financial Returns prepared for Parliament.

(Signed)

CANNING.
WM. COWPER.
STAFFORD H. NORTHCOTE.
R. MADOX BROMLEY.

July 8, 1853.

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APPENDIX (A).

Treasury Minute, March 1, 1853.

THE Chancellor of the Exchequer states to the Board, that the attention of Her Majesty's Government has been drawn to the great and annually increasing amount of the estimates for packet services over sea, and to the large proportion which that item now bears to the general civil expenditure of the country.

The annual charge for these services is already approaching a million of money, while the total amount of the estimates for civil services for the year 1852-3, which were higher than in any preceding year, amounted only to 4,177,754*l.*

Important as it is to secure rapid and certain communication with the remote dependencies of this country, and with other distant States, for national purposes, it is doubtless, under all common circumstances, from commercial considerations that such facility of correspondence derives its highest value.

There are limits beyond which the ordinary charge borne by the State on this account ought not to pass. It is, moreover, in the nature of such a charge to grow up by successive additions, each of them due rather to a comparison of the relative burden and benefit of the particular portions of each line of communication among themselves than to a more extended consideration of the proportion between the national advantages of the entire service and the aggregate charge imposed by it upon the Treasury.

Her Majesty's Government conceive the time to have arrived when the entire charge of the packet service should be deliberately examined and reviewed, with joint reference to the questions,—how far the purposes with which the present system was begun have been accomplished,—how far the total amount of service rendered to the State is adequate to the total annual expense,—how far there may be cause for a more than commonly jealous and scrupulous consideration of such further schemes of extension of the system as particular interests or parties may press, or even such as public objects may recommend from time to time; lastly, how far, on account of the early period at which certain of the contracts are terminable, or on account of requisitions put in by the contractors themselves for the modification of the terms, or for any other reason, it may be prudent to entertain the question of any revision of those terms, or of laying down any prospective rules with regard to them; such only, of course, as may comport with the equitable as well as the legal rights of the parties, and may avoid any disappointment to the just expectations of those classes who may have felt a peculiar interest in the establishment and extension of these great lines of communication.

In the estimation of Her Majesty's Government, Parliament was originally induced to make some very large grants for packet service across the Atlantic under the belief that, independently of postal revenue, and likewise of the commercial and political advantages attending rapid and certain correspondence at fixed and short intervals, the packets to be built for this service would form a reserve of powerful vessels, available, if unhappily the need should arise, for purposes of war; and Parliament never would have consented to grants of such an amount, except with this combination of objects in its view.

It has, however, appeared, from recent and careful examinations made under proper authority, that this expectation, which formed so important an element in these transactions, has in the main been frustrated; and that, with exceedingly rare exceptions, the vessels of the packet service, while partial injury has been done them with reference to their postal

purposes by the endeavour to combine strength with speed, are not suitable, and could not be made suitable, to serve as ships of war.

At the same time, it is not to be conceived that, on account of this failure in a portion of the design, the country has cause to regret having paid a larger price than was intended to be paid simply for the establishment of these noble chains of communication, which well nigh embrace the world. The organisation of a complete postal system upon the ocean, with absolute fixity of departures, and a general approach to certainty in arrivals, was a great problem, of high interest and benefit, not to England only, but to all civilised countries; and this problem may now be said to have been solved by England, for the advantage of mankind at large. It was to all appearance altogether beyond the reach of merely commercial enterprise; and if the price paid has been high, the object has been worthy, and the success for all essential purposes complete.

But that problem having now been solved, the state of the case is altered. These undertakings have now been found to lie within the reach of the energies of British commerce; in some cases without subvention from the State, and in others with much less of it than was originally supposed to be absolutely necessary for their success.

Prospectively, therefore, as it appears to Her Majesty's Government, it may be wise to proceed by somewhat different rules, without thereby implying that the decision of Parliament to spend so largely for the establishment of improved over-sea communications was a prodigal or imprudent one under the circumstances in which it was taken. At the same time, looking to the future, it is the opinion of Her Majesty's Government that the charge for packet-service has imperceptibly grown in some degree out of its due proportion to the service performed, as well as to the general expenditure of the country; and it is a just subject of anxiety to them that such reductions in it as may be practicable should from time to time be effected.

My Lords are further informed by the Chancellor of the Exchequer, that the Peninsular and Oriental Steam Company have applied to the Admiralty for an immediate as well as important relaxation and change of the terms of their new contract, which has been in operation since the 1st of January, 1853, although it has not yet been legally completed.

Lastly, My Lords learn from the Chancellor of the Exchequer that he has communicated on this subject with the First Lord of the Admiralty and the Postmaster-General; that the First Lord of the Admiralty has entirely approved of the proposal to postpone the presentation of the Packet Estimate to Parliament, with a view to an immediate examination of the subject of the packet contracts, and that the Honorable Mr. Cowper will be prepared to act on the part of the Admiralty in such an inquiry; that he has also communicated with Viscount Canning, the Postmaster-General, who is willing to undertake the chief conduct of it; and that he proposes that Sir Stafford H. Northcote, Bart., and Mr. Bromley, Secretary to the Board of Audit, should be associated with Mr. Cowper, under the presidency of Lord Canning, for the purpose of conducting it.

My Lords concur in the view which has been taken of this important subject by the Chancellor of the Exchequer, and are pleased to appoint Lord Canning, and the gentlemen above named, to be a Committee of Inquiry, for the purposes recommended; and their Lordships proceed to express the general views and objects with which it is their desire that the Committee should approach the execution of its task.

In point of time, the first duty of the Committee will be to examine into the recent application of the Peninsular and Oriental Company, which, contemplating, as it does, an immediate practical change, must be decided upon without delay.

The Committee will doubtless find that the demand of the Company for liberation from certain vital conditions of its contract will, by re-opening the discussion of it upon the merits, afford an equitable opportunity of securing an improvement in the position of the State with respect to it. As they will not strain this opportunity beyond the bounds of perfect fairness, so neither will they fail to point out such advantage to the public as within those bounds may be attainable.

Next in order of time to this subject, will be those which it may in like manner be important to determine with the least possible delay; such as the cases of packet contracts of which the original term has expired, and which are now liable to drop upon a short notice, so as to affect the services of the financial year of 1853-4: or the cases of other contracts, which, like that of the Peninsular and Oriental Company, may in like manner be now opened, in a greater or less degree, by the request of the parties themselves for relaxation or release.

Passing onwards from those among the contracts set forth in the accompanying sheet abstract which may be considered as cases urgent in point of time, it will be the duty of the Committee, with a view to the future, to consider more at large the general purposes and ordinary stipulations as well as the pecuniary terms of the contracts one by one.

In reviewing the purposes and stipulations of the contracts, the Committee will have to consider and report whether they can learn, either that the prospect of a reserve of ships of war, which was at one time confidently entertained, has been realised in any sensible degree under these costly arrangements, or whether there is any probability that it can be realised hereafter, compatibly with the paramount purpose for which the packets have been constructed, namely, that of postal vessels. On this point the Committee will consult a report which has been presented to the Board of Admiralty by a Committee of Naval and Artillery Officers.

It will also be their duty to observe what provisions have been inserted in the contracts to secure the sufficiency of the ships for the purposes of naval warfare; to ascertain whether the stipulations have been carefully fulfilled; whether in any cases where they have not been so fulfilled, permission to waive them has been regularly sought and obtained from the proper department of the Government; and whether, in consideration of such non-fulfilment, there has been any adequate remission, or any remission, of the price which the State engaged to pay, not for postal service merely, but for the double purpose of postal service together with a reserve force in aid of the Royal Navy.

The Committee will likewise have to examine with what degree of punctuality and precision the postal conditions of the contracts have been fulfilled. It will be their duty to note with care, as well the amount as the causes of any failures in this respect: especially, in case they should find that any material irregularities have in any case occurred which might by the exercise of due diligence have been avoided, it will be their duty to ascertain, for the information of Her Majesty's Government, whether, in consideration of such irregularities, any abatements have been made from the charge upon the public; whether the penalties under the terms of the contracts have been legally incurred by them; and whether, if so incurred, they have been in fact exacted, or if remitted, on what grounds the remission has been allowed.

Generally it will be the duty of the Committee to consider whether any and what improvements may hereafter be introduced into the provisions of these contracts, or into the mode of negotiating them.

The Committee will, of course, overlook no opportunity that their examination of the case may bring into view, of modifying any of the existing arrangements, so as to improve them, with a full regard to the rights of parties and to the convenience of the public.

They will carefully state the present service and charge, in each case, as compared with those of any preceding arrangements; and consider, with reference to economy and public convenience, all the alternatives which either have been presented to Government up to this time (whether immediately available or not) by the proposals of competing parties, or which might, from the present state of commerce and communications, be reckoned upon in various cases, with various degrees of confidence, in case the present arrangements should be dropped.

They will find it an important branch of their duty to consider whether it has truly alleged, with respect to this system of packet contracts, that its natural tendency and its present operation are to discourage private enterprise, and to bear down the efforts which it might make.

without any pecuniary aid, had it only the negative advantage of an open field.

In suggesting any modified forms of the present arrangements, or any other arrangements founded on a similar basis, it is most important that the Committee should keep in view the prudence, under present circumstances, of engagements for very short terms of years. The intense demand at this moment for the services of shipping not only constitutes a disadvantage in present negotiations, but holds out an almost certain prospect of a corresponding over-supply and re-action some two, three, or four years hence, in the rates of freight, when, in all likelihood, it will be practicable to deal on better terms for the public. Independently of this periodical revolution of the cycle of trade, the rapid progress of commercial organisation generally, and of steam navigation in particular, makes it highly desirable that the Government should, as far as may be, stand with its hands free, to avail itself of circumstances to the greatest advantage, from time to time, as they shall develop themselves.

The Committee will not confine themselves to the consideration of economy or other amendments in detail, but will make a comprehensive survey of the existing organization, and note their general views upon any improvements of the line, or the mode of service, which may apply to the system at large.

In considering alternative proposals, they will carefully weigh against one another the respective service and charge, and will doubtless bear in mind the social as well as political importance of easy and secure communications with those British colonies to which the stream of emigration has of late been most largely directed.

My Lords hope that the labours of the Committee may issue in pointing out the means of no inconsiderable immediate saving in the charge of the packet service, and likewise of making use of the increased energy and resources of private enterprise, and the improved knowledge of the modes of coping with the difficulties of ocean communication, so as after a short time to effect a still larger economy in the basis and operation of the whole system.

My Lords have, moreover, to direct the attention of the Committee to the construction of a system of account under which the receipts and charges of each line of packets may be accurately and clearly stated for the consideration of Parliament, instead of the present very defective arrangements, under which, while the charge is presented together with the Navy Estimates and Accounts, the receipts are carried to the credit of the General Post Office Revenue, without any means of distributing it according as it is derived from the land and over-sea service respectively.

It is the desire of my Lords, that both on all these several points, and on any others of public interest and moment, which the course of their inquiry may bring into view, the Committee should, in addition to presenting the facts of the case, tender without reserve, in their report or reports, all recommendations of which they may conceive that the adoption would be beneficial to the public service.

Lastly, it is the desire of my Lords that this important inquiry should, especially as regards all contracts which are open to be dropped or modified during the financial year 1853-4, be prosecuted with all practicable despatch.

Transmit copies of this minute to the Secretary of the Admiralty and the Commissioners of Audit, and request that the services of the Hon. W. Cowper and of Mr. Bromley may be afforded for the purposes of this inquiry.

And transmit a copy to the Committee for their information and guidance.

APPENDIX (B).

ABSTRACT of CONTRACTS for the Conveyance of Mails.

NOTE.—By the Act 7 William IV, cap. 3, previous Contracts entered into by the Post Office were transferred to the Admiralty.
All Sea Contracts under £500 per annum directed to be managed by the Post Office by Treasury Minute of December 8, 1840. (See Treasury Letter, December 11, 1850.)

Line of Communication.	How often.	Number, Size, and Character of Vessels.	Names of Contractors.	Terms.	Contract.			Penalty.	Remarks.	Time fixed for Departures and Arrivals.
					By whom made, and date.	Commences.	Terminates by warning of.			
1. LIVERPOOL and ISLE OF MAN	Twice a week ...	Steamers not less than 140 tons...	Monk Isle Steam Co Mr. Thos Orford, Agent, 94, Jannestreet	£260 per annum	Post Office, July 10, 1855	July 11, 1855	Three months	£ 500	These vessels will sail at tide-time from each place—average passage about eight hours.	Twice a week during winter, from November to April, every day during summer, Sunday excepted.
2. HOLYHEAD and KINGSTOWE	Twice a day.....	Steam-vessels to go 15 knots an hour.	City of Dublin Steam Packet Co 137, Leadenhall-street, W. Watson, Esq.	£25,000 per annum	Admiralty, April 9, 1850	May 1, 1850	Twelve months after ten years, from May 1, 1850.	4,000		Departures, morning soon after 13 35 and 5 40 a.m. Arrivals, about 6 0 p.m. and 12 40 a.m.
3. ABERDEEN and LERWICK ... SHETLAND and ORKNEYS ...	Weekly.....	Steamers not less than 60-horse power, from April to September inclusive. Sailing-vessels not 140 tons (or m) from October to March inclusive.	Aberdeen, Leith, and Clyde Shipping Co Agents, Messrs Fife and Forsyth, 19, Barchin-lane	£200 per annum	Admiralty, January 4, 1840	February 1, 1840	Six months after February 1, 1841	500	Steamers only may touch at intermediate ports, Wick and Kirkwall.	March 27, 1847 Leaves Aberdeen on Fridays, and Lerwick on Mondays at 8 p.m., if arrived before 8 a.m., if not, seventeen hours after arrival from Aberdeen. June 5, 1851.
4. LONDON { Hamburg..... Rotterdam	Twice a week ... Twice a week	Steamer not less than 100 horse power Steamers not less than 60-horse power.	General Steam Navigation Co 71, Lombard-street, Mr John Wilson, Secretary.	£17,000 per annum	Admiralty, March 25, 1849	April 1, 1849	Contract continued for one year, and thenceforward until six months' notice. See letter from Company, March 25, 1849	7,000	Includes Helgoland, Cuxhaven, and any other Ports in the Elbe and Helvoetsluis, and any other Ports in Holland.	Mails for Hamburg to be closed and despatched from Post Office at 8 p.m. on Tuesday and Friday. Mails for Highland to be despatched early on mornings of Wednesdays and Saturdays. See letter to Post Office and Company, December 16, 1847.
5. ENGLAND { Vigo Oporto Lisbon Cádiz Gibraltar	Three times a month	Steamers not less than 140-horse power.	Peninsular and Oriental Steam Navigation Co C W Howell, Esq., Secretary, 152, Leadenhall-street.	£20,500 per annum, less £2,500 if port dues remitted.	Admiralty, January 9, 1853	January 9, 1853	Six months	10,000	Stays at Gibraltar not more than twenty-four hours, and departs at nightfall. To leave Lisbon 9th, 19th, and 29th of each month, at 8 a.m. but allowed by contract to stay two clear days	7th, 17th, and 27th, of each month from Southampton, when these dates fall on Sundays, the 8th, 18th, and 28th. Post Office letter, March 6, 1845

Lane of Communication	How often.	Number, Size, and Character of Vessels.	Names of Contractors	Terms	Contract.			Penalty	Remarks.	Time fixed for Departures and Arrivals
					By whom made, and date	Commences	Term notes by way of			
6. ENGLAND and ALEXANDRIA SUFF CALCUTTA, and HONG-KONG MARSEILLES and MALTA SINGAPORE and SYDNEY, New South Wales	Twice a month	A sufficient number of steamers (not less than fifty) of not less than 1100 tons	Peninsular and Oriental Steam Navigation Co. C W Howell, Esq, Secretary, 123, Leadenhall-street	Terms £199,000, and six months after railway opened between Alexandria and Suez £179,600	Admiralty	January 1, 1853	Eight years from January 1, 1853 on twelve months' notice, or until after twelve months' notice shall be given	35,000		From Southampton on the 2nd and 4th, from London on Thursdays on the 8th and 21st of every month. If these dates be Sundays, then on 9th and 20th
	Every other month	Not less than four of 600 tons								
7. LIVERPOOL, HALIFAX, and BOSTON LIVERPOOL and NEW YORK	Weekly	A sufficient number of steamers, not less than 400-horse power	S Cunard, Halifax, N S, George Burns, Glasgow, and Chas MacLuer, Liverpool	£145,000 per annum £38,340 per annum	Admiralty, April 1, 1850, and January 1, 1852	April 1, 1850 January 1, 1852	January 1, 1852, and thereafter until twelve months' notice be given	30,000 0,000	Return Mails, in stress of weather, may be landed at Bristol, Bournemouth, Portsmouth, Southampton, Portsmouth Down or Deal. And if required to receive and deliver Mails at Holyhead or any Port of Great Britain or Ireland	Every Saturday from Liverpool and Monday from Halifax to Boston and direct to New York. Returning from America every Wednesday alternate, and deliver Mails at Halifax from Boston and direct from New York (Direct to and from New York, August 1850)
8. HALIFAX, BERMUDA, and NEW YORK HALIFAX and NEWFOUNDLAND	Twice a month from April to November inclusive, once during the four winter months. Monthly between Bermuda and New York	Steam vessels three of wood, not less than 350 tons, 6 m Screw-propeller, 80 horse power	Samuel Cunard Agent, Mr J Bromley Ford, 52, Old Broad-street	£10,600 per annum	Admiralty, July 1, 1850	July 1, 1850	January 1, 1852, and thereafter until twelve months' notice be given, or until the expiration of No 8 Line.	9,000	Steamers may touch at Cape Breton, stay there not to exceed twenty-four hours, stop at Bermuda and Newfoundland not to exceed twenty-four hours.	To leave Halifax within twenty-four hours after the arrival of the packet from England conveying the Mails to Boston
9. BERMUDA and ST THOMAS	Monthly	A sufficient number of steamers, wood, not less than 350 tons 6 m Screw propeller, 80-horse power	Samuel Cunard Agent Mr J Bromley Ford, 52, Old Broad-street	£4,100 per annum	Admiralty, February 28, 1851	1851	January 1, 1852, and thereafter until twelve months' notice be given, or until No 8 expires	0,000		
10. ENGLAND, WEST INDIES, GULF OF MEXICO, and BRAZILS	Twice a month	Fifteen steamers, wood, ten not less than 400-horse power, to be fit and able to carry guns of the largest calibre now used in Her Majesty's steam-vessels, the remaining four (to be employed intercolony only) of not less than 200-horse power, and one of not less than 60-horse power, also a sailing-vessel of not less than 100 tons	Royal Mail Steam Packet Co Office, 56 Moorgate street Capt R Chappell, R.N., Secretary.	£270,000 per annum	Admiralty, July 5, 1850	January 1, 1851	Eleven years from January 1, 1851, if twelve months' previous notice be given, or after, until the expiration of twelve months' notice at any period of the year	60,000	West Indies	To leave Southampton for West Indies and Gulf of Mexico on the 2nd and 17th of each month, except when those days fall on a Sunday, then on the following days May 17, 1851
	Monthly											Brazil . . . . .	And for Brazil, touching at Lisbon, Madeira, Tenerife, St Vincent, Pernambuco, Bahia, Rio de Janeiro, Monte Video, and Buenos Ayres 9th of each month, except when 9th falls on a Sunday then on 10th. February 5, 1851

Line of Communication.	How often.	Number, Size, and Character of Vessels.	Names of Contractors.	Terms.	Contract.			Penalty.	Remarks.	Time fixed for Departures and Arrivals.
					By whom made, and date.	Commences.	Terminates by warning of.			
11. EAST INDIES and CHINA (See No. 5)	Twice a month	...	Pennibler and Oriental Steam Navigation Co. C. W. Howell, Esq., Secretary, 122, Leadenhall-street.					\$		
12. CHANNEL ISLANDS	Three times a week	Three or more steamers not less than 120-horse power	New South-Western Steam Packet Co., 97, High-street, Southampton. W. Green, Esq., Secretary.	£4,000 per annum.	Admiralty, July 1, 1849	April 28, 1849	One year from April 28, 1849, if six months' notice be given; if not, to continue till six months' notice be given.	5,000		From Southampton, Tuesday, Thursday, and Saturday, at 08 45m a.m. From Jersey, calling at Guernsey Monday, Wednesday, and Friday, at 8.
13. PACIFIC	Twice a month	Six or more steamers not less than 170-horse power, four of 160-horse power and 1000 tons substituted December 4, 1850. May use vessels of 400 tons and 100-horse power, <i>pro tem</i> , Callao and Panama. March 16, 1853.	Pacific Steam Navigation Co., 1, Rumbold-street, Liverpool. W. Tiggart, Esq., Secretary	£35,000 per annum	Admiralty, Sept 23, 1850 Nov. 18, 1850	April 1, 1852, or earlier.	Seven years and thenceforward until twelve months' notice November 15, 1850.	5,600	Panama, Callao, Valparaiso.— On September 8, 1845, allowed to touch at Buenaventura, Guayaquil, Payta, Lambayeque, Huancabaco, Santa, Callao, Pisco, Islay, Arica, Iquique, Cobija, Copiapo, Huasco, Coquimbo	From Panama, within twenty-four hours after mails arrive.
14. ENGLAND, CAPE OF GOOD HOPE, and CALCUTTA	Monthly	Screw-steamers of not less than 1400 tons, and 228-horse power.	General Screw Steam Shipping Co., 3, Royal Exchange Buildings, 1, L. O'Beane, Esq., Secretary	1st year 250,000 2nd year 45,000 Royal Exchange Buildings, 1, L. O'Beane, Esq., Secretary £1000 for Admiralty agents	Admiralty, May 20, 1852	June 15, 1852	Seven years and thenceforward until twelve months' notice	4,000	Call at St. Vincent, Ascension, Cape of Good Hope, Mauritius, Point de Galle, and Madras, and also at St. Helena, on homeward voyage	From Plymouth on 15th of each month. When 14th falls on a Sunday, then on 16th. May 13, 1851
15. CAPE OF GOOD HOPE, and FORT NATAL	Monthly	A sufficient number (not less than two) iron screw-steamers, 500 tons, 40-horse power, to go 6 knots an hour	General Screw Steam Shipping Co.	£3,000 per annum	Admiralty, August 10, 1852	October 1, 1852	June 15, 1852, or with other contract with General Screw Steam Shipping Co. on twelve months' notice	1,000	To touch in Mossel and Algoa Bays, Buffalo, and Fort Frances, when practicable.	
16. ENGLAND and SYDNEY, NEW SOUTH WALES (See No. 5)	Every other month	A sufficient number of screw-steamers (not less than four) of 1400 tons, and 300-horse power, and to go 6½ knots an hour	Australian Royal Mail Steam Navigation Co., 89, Lombard-street, London. Robert Marshall, Esq., Secretary	£28,000, less £50 for each voyage when no Admiralty agent.	Admiralty, June 2, 1852	June 3, 1852	Four years and thenceforward until eighteen months' notice	4,000	To touch at St. Vincent, Simon's Bay, or Table Bay, Cape of Good Hope, King George Sound, Port Phillip, and may call at St. Helena.	From Plymouth on June 3, and thenceforward on 3rd of every alternate month.
17. ENGLAND and FERNANDO PO, WEST COAST OF AFRICA.	Monthly	A sufficient number (not less than three) of screw-steamers, to go 8 knots an hour.	African Steam Ship Co., March 1853. Magregor Laird, 3, Mincing-lane.	£23,350, less £500, every succeeding year.	Admiralty, January 29, 1853	Sept 1, 1852, altered to September 26.	Ten years and thenceforward until twelve months' notice.	2,000	To touch at Madras, Teneriffe, Goree, Bathurst, Sierra Leone, Monrovia, Cape Coast Castle, Accra, Whydah, Badagry, Lagos, Bonny, Old Calabar, and Cameroons, but omitting Cameroons, Old Calabar, and Bonny, on way home	From Plymouth on 24th of each month, when 23rd a Sunday, on 25th. [July 30, 1853.] A vessel to leave Fernando Po September 20.

APPENDIX (B).—Continued.

Names of Vessels	Horse Power	Tonnage	Draft of Water	No. of Boats	Number of Crew					Date of Approval or Survey	Conditionally approved as <i>Itasca</i>
					Commander	Surgeon	Seaman	Engineers and Stokers	Total		
La Plata .. LC.	939	2404	21 10	9	1	1	26	29	114	Aug. 10, 1852	
Orinoco .. LC.	800	2245	20 11	8	1	1	29	28	108	Oct. "	
Parana .. LC.	800	2222	21 2	9	1	1	26	29	120	May 6, 1853	
Magdalena LC.	760	2250	19 0	9	1	1	29	23	108	May 15, 1852	
Avon .. LC.	450	2069	17 0	6	1	1	20	21	94	Mar. 5, 1853	
Tay ..	430	1288	17 8	6	1	1	23	18	80	Aug. 9, 1852	
Thames .. LC.	413	1285	18 3	6	1	1	23	18	72	July 15, "	
Dee .. LC.	410	1269	18 0	7	1	1	23	18	87	May 16, 1846	
Madway .. LC.	420	1305	17 6	7	1	1	23	18	92	May 26, 1852	
Teviot ..	450	1258	18 1	6	1	1	23	18	97	July 9, "	
Trent .. LC.	450	1293	17 7	6	1	1	23	18	87	Apr. 29, 1848	
Clyde ..	430	1335	19 1	6	1	1	23	18	87	Aug. 17, "	
Great Western LC.	420	1254	18 7	..	1	1	23	18	89	Feb. 11, "	
Eagle ..	263	496	11 10	4	1	1	12	14	57	July 2, 1849	
Conway .. LC.	270	827	12 10	7	1	1	16	14	55	Sep. 13, 1852	
Sewern .. LC.	422	1409	17 3	6	1	1	23	18	90	June 9, "	
Derwent ..	280	708	15 0	5	1	1	16	15	66	July 8, 1850	
Prince ..	200	446	8 8	5	..	..	..	..	35	July 9, 1851	
Esk .. screw	60	142	..	..	..	..	..	..	..	Nov. 20, 1850	
Bentinck ..	520	1973	19 8	7	1	1	26	19	83	Nov. 12, 1852	
Lady Mary Wood ..	270	619	..	3	1	..	10	11	40	Feb. 24, 1842	
Precursor ..	520	1783	18 0	8	1	1	38	10	121	July 21, 1844	
Braganza ..	300	638	13 11	3	1	..	10	9	40	Dec. 28, "	
Pekin .. iron	415	1003	14 0	6	1	1	18	6	78	Jan. 28, 1847	
Achilles ..	430	823	16 0	4	1	1	13	18	59	June 2, 1848	
Oriental ..	420	1437	13 0	6	1	1	14	21	73	Mar. 31, "	
Malta .. iron	460	1222	..	6	..	..	..	..	..	Sep. 23, "	
Hindustan ..	500	1595	16 10	7	..	..	..	..	53	July 7, 1849	
Singapore .. iron	465	1189	12 6	6	..	..	..	..	96	Mar. 6, 1851	
Ganges .. iron	465	1189	14 7	6	..	..	..	..	69	June 13, 1851	
Chusan .. iron	100	765	11 3	4	..	..	..	..	45	Apr. 21, 1852	
Formosa .. iron	177	658	13 6	5	..	..	..	..	60	Aug. 19, "	
Pottinger .. iron	450	1225	17 6	8	1	1	20	6	82	Aug. 13, "	
Shanghai .. iron	90	825	..	..	..	..	..	..	..	..
Bombay .. iron	280	1240	..	..	..	..	..	..	..	..
Madras .. iron	288	1217	..	..	..	..	..	..	..	..
Express .. iron	160	380	7 4	3	1	..	6	6	24	Mar. 16, 1852	
Wonder .. iron	150	349	..	3	1	..	6	6	22	July 8, "	
Atalanta ..	120	240	8 4	2	1	..	6	5	21	Oct. 10, 1846	
Courier .. iron	184	440	7 0	3	..	..	..	..	18	July 8, 1852	
Dispatch .. iron	183	443	7 6	3	..	..	..	..	22	May 5, "	
New Granada .. iron	210	600	13 10	5	1	..	..	..	..	Nov. 6, 1846	
Bolivia .. iron	252	705	..	5	1	..	..	..	41	Oct. 19, 1849	
Santiago .. iron	370	549	13 4	6	1	..	..	..	55	Aug. 6, 1851	
Lima .. iron	370	1122	10 8	6	1	..	..	..	55	Nov. 27, "	
Quito .. iron	394	1122	11 1	6	1	1	18	16	54	Feb. 9, 1852	
Bogotá .. iron	394	1122	13 6	6	..	..	..	..	61	Apr. 23, "	
Bosphorus .. iron	80	540	13 6	3	1	1	10	7	35	..	
Lady Jocelyn .. iron	300	1800	18 0	8	1	1	44	22	108	July 29, 1852	
Indiana .. iron	300	1800	19 0	7	1	1	47	22	110	Sep. 17, "	
Calcutta .. iron	300	1800	19 0	7	1	1	46	23	115	Oct. 20, "	
Q. of the South .. iron	300	1777	17 10	7	1	1	45	22	104	May 21, "	
Mauritius .. iron	300	1800	19 6	7	1	1	46	25	117	..	
Hydaspes .. iron	300	1800	18 0	7	1	..	..	..	108	Feb. 2, 1853	

APPENDIX (B).—Continued.

	Names of Vessels.	Horse Power.	Tonnage.	Draft of Water.		No. of Boats.	Number of Crew.					Date of Approval or Survey. Conditionally approved in Italics.
				ft.	in.		Commander.	Surgeon.	Seaman.	Engineers and Stokers.	Total.	
16	Forerunner L.C. iron	50	293	9	9	3	1	..	9	9	25	Sep. 25, 1852
	Faith .. iron	188	922	12	8	5	1	..	13	13	38	Feb. 2, 1853
	Hope .. iron	120	933	15	0	5	1	1	15	13	46	
17												

Admiralty Agents, with Date of Appointment.

SOUTHAMPTON—Nos. 5, 6, 10, 11.

Lieut. I. I. Wilkinson ..	November 27, 1844	Lieut. R. M. Sandom ..	March 29, 1851
" R. Percival ..	July 5, 1845	" A. La Touche ..	May 3, "
" W. D'Aranda ..	May 26, "	" G. A. Ellerman ..	January 10, 1852
" J. Brown ..	July 5, "	" I. G. Robins ..	May 26, "
" James Inglis ..	December 15, "	" J. Stephens ..	May 15, "
" T. Strover ..	September 24, 1846	" W. P. Newenham ..	January 10, "
" Joseph Ray ..	December 30, "	" H. De Lisle ..	February 19, "
" John Hay (c.) ..	April 5, 1847	" C. G. Ghnn ..	January 11, 1853
" L. Dennehy ..	June 12, "	" W. C. Coffin ..	January 11, "
" P. Rainier ..	July 27, "	" E. P. Fuge ..	January 11, "
" J. R. Parker ..	November 21, 1848	" H. Charleton ..	January 11, "
" T. S. Scriven ..	December 22, "	" P. P. Barrow ..	January 11, "
" J. O'Reilly ..	April 23, 1849	" R. Reid ..	January 21, "
" T. C. O. Whipple ..	January 5, 1850	" W. H. Payne ..	January 21, "
" T. W. Purver ..	October 23, "	" T. C. Ponsonby ..	February 4, "
" J. Brydges ..	December 24, "	" S. H. Hemmans ..	February 18, "
" G. H. Heathcote ..	December 31, "	" J. Oxenham ..	March 14, "
" G. I. Gardner ..	February 6, 1851	" A. Young ..	March 26, "
" H. T. Veitch ..	June 3, "	" H. Warren ..	April 6, "

PLYMOUTH—Nos. 14, 16.

Comr. A. J. Curtis ..	July 5, 1852	Comr. A. Phillimore ..	September 3, 1852
" J. P. Thurburn ..	May 8, "	Lieut. H. L. Griffiths ..	September 14, "
" P. A. L. Wharton ..	June 7, "	" H. B. Everest ..	December 6, "
" J. Corbet ..	November 8, "	" F. P. Coull ..	January 11, 1853
" J. K. Barnard ..	May 15, "	" C. W. Pears ..	April 16, "
" G. B. Jeffreys ..	January 11, "		

NOTE.—The Admiralty Agents named above, employed in the Vessels sailing from the above-mentioned Ports, are changed from one Line to another, at these Ports, in regular succession at certain periods.

LIVERPOOL—No. 7.

Lieut. H. Beddek ..	June 16, 1849	Lieut. E. W. Ward ..	November 22, 1849
" J. G. Raymond ..	April 26, "	" T. A. Lewis ..	May 3, 1850
" I. B. Scriven ..	January 30, 1851	" G. S. Boys ..	January 21, 1853
" W. W. Oke ..	April 26, 1850		
" D. Reid ..	January 22, 1848		

APPENDIX (B).—Continued.

ADMIRALTY ARRANGEMENTS OF THE PACKET SERVICE,
FOR THE MONTH OF JUNE, 1853.

Shore Establishments.

Station.	Conducting Officer.	Date of First Appointment.	Establishment.
Dover ..	Comandr. Edward Herrick, Addl. H.M.S. "Waterloo"	Sept. 15, 1852	1 Paymaster; 1 Clerk; 1 Engineer, 2nd Class; 2 Engineers, 3rd Class; 1 Carpenter's Mate; 1 Smith; 1 Smith's Labourer, 1 Yeoman and Plyer; 1 Port Pilot; 2 Watchmen; 1 Commission Messenger; 2 Cox- swains, 8 Crew, A.B.
Holyhead ..	Comandr. A. McG. Skimmer, Addl. H.M.S. "Saturn"	Sept. 16, 1851	1 Messenger
Liverpool ..	Commander T. Bewis, Addl. H.M.S. "Saturn"	Feb. 5, 1839	1 Clerk; 1 Messenger
Southampton.	Capt. Horatio T. Austin, C.B. Addl. H.M.S. "Victory"	March 11, 1852	Mr. J. W. Ancell, Clerk, H.M.S. "Victory," September 10, 1843; 1 Messenger; 1 Porter
Plymouth ..	Flag Captain, Arthur Lowe		

Letters will be dispatched from London for Foreign Mails on the following days:

June, 1853.

Wednesday	1.—West Indies, Gulf of Mexico, and Pacific. Bermuda, <i>via</i> St. Thomas.
Friday	3.—Gibraltar, Malta, Alexandria, India, China, Ionian Islands and Greece. North America, New York.
Monday	6.—Vigo, Oporto, Lisbon, Cadiz, and Gibraltar.
Wednesday	8.—Malta, Alexandria, India, Bombay, Ionian Islands and Greece, <i>via</i> Marseilles. Lisbon, Madeira, Cape de Verd, and Brazil.
Friday	10.—North America, Halifax, Boston, Bermuda, and Newfoundland.
Tuesday	14.—St. Vincent, (Cape de Verd) Ascension, Cape of Good Hope, Mauritius, Ceylon, Madras, and Calcutta.
Thursday	16.—West Indies and Pacific. Vigo, Oporto, Lisbon, Cadiz, and Gibraltar.
Friday	17.—North America, New York.
Saturday	18.—Gibraltar, Malta, Alexandria, India, China, Ionian Islands and Greece.
Thursday	23.—Madeira, Teneriffe, and West Coast of Africa.
Friday	24.—Malta, Alexandria, India, China, Ionian Islands and Greece. <i>via</i> Marseilles. North America, Halifax, Boston, Bermuda and Newfoundland.
Saturday	25.—Vigo, Oporto, Lisbon, Cadiz, and Gibraltar.

CONTRACT PACKETS.

Remarks.

FROM SOUTHAMPTON.
West India and Mexican sail 2nd and 17th of every month.
Brazil. 9th of the month, calling at Lisbon, Madeira, Teneriffe, and St. Vincent, Cape de Verd Islands.
Vigo, Oporto, Lisbon, Cadiz, and Gibraltar. 7th, 17th, and 27th of every month.
Malta, Alexandria, India, Ionian Islands and Greece. 4th and 20th of every month.
Australia, <i>via</i> Singapore 4th March, and of each alternate month.
FROM PLYMOUTH.
Cape of Good Hope and Calcutta. 15th of each month, calling at St. Vincent.
West Coast of Africa. On the 24th of every month.
FROM LONDON, <i>via</i> Marseilles.
8th and 24th of each month.

APPENDIX (B).—Continued.

Her Majesty's Packets.

Name of Steam Packet.	Horse Power.	Draft of Water.	Guns.	Commander.	Date of First Appointment.	Second Master.	Date of Appointment.	Engineer.	Date of Appointment.	Crow.				Mail arrives.	Mail departs.	Date of Order.	Average Passage.	
										Seamen.	Stokers.	Boys.	Total.				Summer.	Winter.
DOVER.*																		
Garland	120	7 1	1	Lieut. Edward Wyld	Mar. 14, 1849	John Hammond, a. ...	Dec. 5, 1851	M. Powell 1st Class	Dec. 5, 1851	9	4	2	18	} 11 0 p.m. as soon as it can be put on board. December 29, 1851.	}	Calais.	Calais.	
Violet	120	6 8	1	Lieut. H. P. Jones ...	June 11, 1850	Werner Clarke, a. ...	Nov. 4, 1852	W. Wynd 2nd Class	April 23, 1853	9	4	2	18			To 1h.35 From 1h.40	To 1h.40 From 1h.50	
Vivid	160	7 3	1	L. Smutsett, a.m. ...	Mar. 15, 1825	E. Hare, a. ...	Dec. 5, 1851	R. Cowan 1st Class	Dec. 5, 1851	9	4	2	18			Ostend.	Ostend.	
Onyx	120	6 10	1	E. C. Rutter, a. ...	Oct. 28, 1852	... ..	... ..	T. Summers 1st Class	Dec. 5, ..	9	4	2	18			To 4h.30 From 5h.10	To 4h.50 From 5h.20
Princess Alice, Spare V.	120	7 0	1	John Warman, a. ...	Nov. 4, ..	... ..	... ..	H. Horden 1st Class	Dec. 5, ..	2	2	1	7				
Undine, Wool., Spare V.	100	6 10	1	Edmund Lyne, a. ...	Nov. 4, ..	... ..	... ..	W. Gill, a. 2nd Class	Dec. 3, ..	2	2	1	7				

Name of Steam Packet.	Horse Power.	Guns.	Lieutenants.	Date of Appointment.	Second Masters.	Date of Appointment.	Assistant Surgeons.	Date of Appointment.	Men.	Boys.	Total.
MEDITERRANEAN.											
Caradoc	350	3	Lieut. H. J. Dorrman ...	April 14, 1851	S. Braddon	April 15, 1851	T. M. Costello	May 6, 1851	49	9	65
Triton	260	3	Lieut. H. Lloyd	May 24, 1853	Chas. M. Hughes	May 26, 1852	J. Forbes	May 26, 1852			
Ardent†	200	3	Spare Vessel.								

* These Complements include Engineers, Petty Officers, and Marines.

† To be laid up at Malta. December 7, 1849.

ABSTRACT STATEMENT showing the Annual Cost and Earnings of each Line of Packets.

No. on Abstract sheet of Contracts.	Line of Communication.	Annual Subsidy under Contract.	Estimate of Annual Gross Postage.	Estimated Deductions from Gross Postage on account of Services not rendered by Packets.			Estimated Amount of Earnings of Packets carried to the Credit of the Post Office.	Difference between Subsidy and Estimated Earnings of Packets.	
				Repayable to Foreign Countries and Transit Postage.	British and Colonial Inland Rate.	Foreign Inland Rate.			Total Deductions from Gross Postage.
		£	£	£	£	£	£	£	
4	Hamburg and Rotterdam	17,000	11,895	..	2,510	..	2,510	9,385	7,615
5	Vigo and Gibraltar	20,500	14,192	..	854	854	1,708	12,484	8,016
6	Alexandria, Calcutta, Hong Kong, and Sydney ..	199,600	188,466	16,207	19,695	..	35,902	152,564	47,036
7	Halifax and New York (North America) ..	173,340	160,069	10,867	22,804	..	33,671	126,398	61,642
8	Bermuda and Newfoundland	10,600							
9	Bermuda and St. Thomas	1,100							
10	West Indies and Brazils	270,000	116,342	..	31,495	5,387	26,802	89,540	180,460
13	Pacific	25,000	10,993	4,124	714	714	5,552	5,441	19,559
14	Cape of Good Hope and Calcutta	50,000	16,973	..	2,043	..	2,043	14,930	38,070
15	Cape of Good Hope and Port Natal	3,000							
16	Sydney, <i>via</i> Cape of Good Hope	26,000	34,563	..	4,160	..	4,160	30,403	Gain 4,403
17	West Coast of Africa	23,250	3,008	..	362	..	362	2,646	20,604
		822,390	556,492	31,198	74,637	6,875	112,710	443,782	Net 378,608
1	Liverpool and Isle of Man	850	The Postage on these lines is charged at the British Inland Rate only, without any addition for sea transit.						
2	Holyhead and Kingstown	25,000							
3	Aberdeen and Lerwick	900							
12	Channel Islands	4,000							
		853,140	556,492	31,198	74,637	6,875	112,710	443,782	378,608
	French Line (Calais)	* 24,657	77,298	..	22,554	..	22,554	77,831	abate Gain 53,174
	Belgian Line (Ostend)		37,550	..	14,468	..	14,463		
		877,797	671,340	31,198	111,654	6,875	149,727	521,613	† 325,434

* This is the Estimate of the Cost of the Packet Service at Dover, performed by Her Majesty's vessels not under Contract and paid by the Admiralty.

† This Deficiency is further increased by the Postage annually lost upon Returned Letters, which, upon the Foreign and Colonial Lines, is estimated at 42,026*l.*; but as these letters are actually carried in the Mails, no deductions from the "Earnings" of the Packets has been made on this account.

£847,047
Add, paid to four lines upon which British Inland Postage cannot be stated .. 30,750
£877,797

APPENDIX (D).

Copy of Report relative to a Reduction of the Service of the Peninsular and Oriental Company.

My Lords,

Admiralty, February 23, 1853.

HAVING been appointed a Committee for the purpose of inquiring into the state of the contracts for the packet service of the Post Office, our attention has been directed in the first instance to that by which the Government have agreed with the Peninsular and Oriental Steam Navigation Company for the conveyance of the mails from this country to India and China twice a month, and from Singapore to Australia once in two months, for the sum of 199,600*l.* per annum, to be reduced to 179,600*l.* when the railway from Alexandria to Suez shall have been opened for six months. This contract has only come into operation since the 1st of January, 1853, and will continue in force for eight years from that day, and further until twelve months' notice shall have been given of an intention to dissolve it.

With reference to this contract, our attention was called to a correspondence now in progress between the Directors of the Peninsular and Oriental Company and the Lords of the Admiralty, in which the Directors state that they anticipate in a short time a serious interruption of the service they have undertaken for want of coals.

They state that the demand for shipping to Australia is so great, and the inconvenience arising from the detention of ships in that country so serious, that they apprehend that it will shortly be impossible to find tonnage to carry coals to the various ports at which it is necessary to deposit them for the purpose of the mail service. Indeed, they say distinctly that the question is no longer one of price; that they are unable to make arrangements for the transmission of coal at any rate of freight whatever; and that, in short, available tonnage, either British or foreign, does not now exist in the United Kingdom for its conveyance.

Under these circumstances the Directors suggest that the execution of the recent arrangements for the semi-monthly communication with India and China should be postponed for a year, and that in the interim the Company should carry on the mail service monthly under the late contract of 1844, continuing also to perform the service between Marseilles and Malta, and between Singapore and Australia, at a mileage rate to be agreed upon.

We have ascertained that the rise in the rate of freight has been very considerable, and that the difficulty of procuring available tonnage is still on the increase. This, however, does not appear to us to afford a reason for dispensing with or modifying the terms of a contract so recently entered into as that under consideration. It is very probable that the rise which has taken place is greater than the contractors calculated upon at the time of their entering into their agreement; but it is of the essence of all contracts that the contractors should incur the risk of such occurrences, and we consider that it would be a most dangerous and improper proceeding to release a public contractor from an agreement for no other reason than that it has turned out to be unfavourable to him.

We therefore think that it would be perfectly right, and under ordinary circumstances the natural course, to decline to enter into any inquiry as to the possibility of obtaining tonnage to convey coals to the Company's stations, and to call upon them absolutely either to fulfil their contract or to pay the penalty of 35,000*l.*

We have, however, taken into consideration that this application on

the part of the Company may possibly afford an opening for the revision of the contract altogether, and may thus perhaps enable the Government to make better terms for the public than those to which they are at present bound for a period of eight years.

We do not, indeed, think that it would be to the advantage of the public that the contract should at once be wholly broken, because while it is essentially necessary to make immediate provision for the continuance of the monthly mail service, there is great doubt as to the possibility of making another contract at so short a notice on equally favourable terms.

But it appears to us that if a portion of the second monthly service to India and China could be discontinued for the present with the distinct understanding that its renewal should be optional with the Government, and that they should be at liberty to make arrangements for its renewal, if necessary, by any company, or in any manner they might think expedient, without regard to the contract with the Peninsular and Oriental Company, considerable advantages might be anticipated.

We do not recommend the adoption of the arrangement proposed by the Peninsular and Oriental Company; viz., a temporary return to the contract of 1844, with the addition of a mileage payment for the Marseilles and Malta and the Singapore and Sydney services. The contract of 1844 was a much more favourable one to the Company than that now in force, the rate of mileage under the former contract being for the line between Hong Kong and Ceylon, 12s. 7d.; for that between Calcutta and Suez, 1l. 0s. 1½d.; and for that between Alexandria and England, 6s. 3¾d.; while under the latter it is for the whole of these services only 6s. 1¾d.

The Company can have no pretext for asking, nor do we think the Government would be justified in granting, a higher rate of payment than that actually contracted for. The only change which we can recommend under the circumstances of the alleged deficiency of tonnage for the completion of the whole service, is a diminution of the amount of the service required, and a corresponding diminution in the amount of remuneration, calculated upon the basis of the mileage rate at present in force.

We accordingly suggest that the Company should be allowed to discontinue the semi-monthly service from Southampton on the 4th, and from Hong Kong on the 28th, of each month, which, as yet, has only been once actually despatched from this country, namely, on the 4th February in the present year. They should, however, be required to continue the mail on alternate months between Singapore and Sydney, adapting it to meet the mail which is despatched from Southampton on the 20th of the month.

It will then be necessary, in order to make the communication with Australia regular, to give notice to the Australian Royal Mail Company to alter the time of the departure from Plymouth of their packets from the 3rd to the 20th day of those months in which the mails are despatched by their line.

Under this arrangement the monthly communication with Australia will be as perfect as under the existing contract, and the semi-monthly communication with India will be carried on in precisely the same manner as it has been till the close of 1852, that is to say, the mails will be despatched from Southampton by the Peninsular and Oriental packets on the 20th of each month, and through France to Marseilles on the 24th and 7th of each month, the mails of the 7th being conveyed by the Peninsular and Oriental ships from Marseilles to Malta and Alexandria, and by the vessels of the East India Company from Suez to Aden and Bombay.

The Company will thus be exonerated from maintaining a service of 211,896 miles,* which at 6s. 1¾d. amounts to about 65,000l., by which amount we recommend that the contract should be reduced.

* This amount is thus made up—

	Miles.		Miles.
Southampton to Malta and back ..	2,160	× 12 =	25,920
Suez to Calcutta and back ..	9,502	× 12 =	114,024
Point de Galle to Hong-Kong and back ..	5,996	× 12 =	71,950
			<hr/> 211,896

211,896 miles at 6s. 1¾d. is 65,113l. 17s. 6d.

We must not omit to state that if the above changes are effected, some of the conveniences which the public may have expected to derive from the provisions of the new contract with the Peninsular and Oriental Company will be lost.

There will be only one monthly communication to and from China in place of two.

Of the two monthly mails to and from India, one only (that of the 20th) will be available for the transmission of heavy mails and of correspondence which will not bear a high postage. In the case of newspapers especially, this restriction will probably be severely felt, inasmuch as the rate levied by the French Government on the transit of newspapers through France is almost prohibitory, and mercantile houses will complain of being unable to send the trade circulars and the papers, which are usually published at the beginning of each month, and which would at present be forwarded by the cheap mail of the 4th.

The notices issued by the General Post Office in January 1853, announcing the date of departure by the mails to Australia, which have already been forwarded to the colonies, and to all foreign Governments with which we have postal conventions, will have to be rescinded and altered.

On the other hand, it is to be borne in mind that the Government will be free to make such arrangements for the conveyance of the semi-monthly mail as may, after full investigation, appear most desirable, and will thus have the opportunity either of inviting competition on the part of other contractors, or of making the experiment of shorter contracts, or of opening new routes for communication—as, for instance, through Trieste—or of establishing a correspondence between Bombay and China by means of the opium vessels, so that the temporary disadvantages which would be experienced from the discontinuance of the service might in the end be more than made up to the public by the introduction of an improved system.

Finally, it is not to be forgotten that the Peninsular and Oriental Company have positively stated that the semi-monthly communication cannot at present be continued on account of the deficiency of the necessary means of transport for coals.

Under these circumstances, it will be for the Government to consider whether the political and commercial inconveniences to which we have drawn attention in the plan which we propose are such as to outweigh the advantages which we anticipate from its adoption.

We have, &c.

(Signed)

CANNING.
WM. COWPER.
STAFFORD H. NORTHCOTE.
R. MADOX BROMLEY.

Correspondence between the Admiralty and the Peninsular and Oriental Steam Navigation Company.

Mr. Howell to the Secretary to the Admiralty.

*Peninsular and Oriental Steam Navigation Company,
February 2, 1853.*

Sir,

I AM instructed by the Directors of the Peninsular and Oriental Steam Navigation Company to request you will be pleased to represent to the Lords of the Admiralty that the Directors entertain great apprehensions that the contract mail service in the Indian, China, and Australian Seas, must ere long be seriously interrupted for want of coal. The moment that the Company's tender for the new mail contract was accepted in March last, they commenced contracting for the supply of fuel to meet the double service; but from that time, owing to the scarcity of shipping, the prices of freight for its conveyance have risen so much as to amount to an increase of nearly 100 per cent., and at such prices the addition of cost to the Company on the year's operations would

amount to upwards of 130,000*l.*, as per statement inclosed. This is exclusive of the Australian service. At the time of tender, coals the produce of that country could be obtained in abundance at 18*s.* 6*d.* to 20*s.* per ton; this supply has ceased altogether, the labour of the mines having been drawn to the gold fields; and now 80*s.* per ton for coal delivered at ports in Australia from this country has been unavailingly offered.

But the question is now no longer one of price, the fact being that such has been the demand for shipping during the last six months and such it still continues, that available tonnage, whether British or foreign, does not exist at the present time in the United Kingdom. A contractor with the Company and one of the largest shipowners and agents in this country, unable to obtain tonnage in fulfilment of his contract, incurred a penalty to the extent of 3,062*l.* 11*s.* 1*d.*, which under the circumstances the Company mitigated to 1,903*l.* 15*s.* 5*d.*, and this amount he has paid. Another party, after supplying 3,900 tons of coal for Aden, under a contract for 8,000 tons, have announced their total inability to find tonnage for its completion.

The Directors, although aware that other steam-mail contractors are likewise suffering from the same cause, have abstained from all communication on this subject, directly or indirectly; their cases, however, in comparison with that of the Peninsular Oriental Company, are very different in extent.

By reference to the inclosed Table it will be found, that for colonial service alone, exclusive of Australia, no less than 111,000 tons per annum have to be placed at distances requiring a period of six months between contract and delivery.

Under these circumstances, the Directors have felt it to be their duty to their Lordships, to their shareholders, and to the public, to make this statement, and to request that their Lordships may be pleased to direct an immediate inquiry to be instituted in the matter, so that their Lordships may in time be thus better prepared to deal with the question with that measure of justice between the public service and the contractor, with which they have always met cases of emergency and unforeseen difficulty.

(Signed) C. W. HOWELL, *Secretary.*

	LAST YEAR'S PRICES. Mail Service once a Month.			PRESENT RATES. Mail Service twice a Month.				
	Tons per annum.	Average price.		Tons per annum.	Average price.			
		<i>s.</i>	<i>d.</i>		<i>£</i>	<i>s.</i>	<i>d.</i>	<i>£</i>
Suez	1,200	62	0	3,720	2,400	90	0	10,800
Aden	12,000	41	4	24,800	24,000	75	0	90,000
Ceylon.. .. .	14,400	33	2	23,880	28,800	48	6	69,840
Madras	1,200	36	1	2,165	2,400	49	6	5,940
Calcutta	6,000	36	1	10,825	12,000	49	6	29,700
Bombay	6,000	32	11	9,875	12,000	49	6	29,700
Penang	1,200	32	3	1,985	2,400	65	0	7,800
Singapore	8,400	32	3	13,545	16,800	65	0	54,600
Hong Kong	5,400	42	8	11,520	10,800	70	0	37,800
	55,800	36	8	102,315 Carried down	111,600	60	3	336,180
				£102,315 × 2				204,630
					Difference			£131,550

London, January 31, 1853.

C. W. HOWELL, *Secretary.*

The Secretary to the Admiralty to the Peninsular and Oriental Company.

Gentlemen,

Admiralty, February 4, 1853.

HAVING laid before my Lords Commissioners of the Admiralty your letter of the 2nd instant, on the subject of the difficulty of obtaining supplies of coals for carrying on the mail-service under your contract, I am commanded to acquaint you that, under these circumstances, my Lords would wish to be informed if you are prepared to surrender your contract, in order to its again being thrown open for public competition, and that my Lords wish for an early reply.

I am, &c.
(Signed) W. A. B. HAMILTON.

Mr. Howell to the Secretary to the Admiralty.

*Peninsular and Oriental Steam Navigation Company,
Offices, 122 Leadenhall Street; London, February 9, 1853.*

Sir,

REFERRING to my letter of the 2nd instant, in which I had the honour to state for the information of the Lords Commissioners of the Admiralty, that a special meeting of the Board of Directors had been summoned for this day, to take into consideration their Lordships' letter of the 4th instant, I am now instructed respectfully to request that the Directors may be informed whether they are correct in the inference to which they have been led by the tenor of that communication, that their Lordships do not feel disposed to institute an inquiry with a view of ascertaining whether it be a fact that sufficient available tonnage does not now exist in this country, or is likely to be within reach for many months, for the conveyance of fuel to the Company's depôts to the Eastern Seas, seeing that the quantity of tonnage requisite for the transport of coal to the extent necessary for the performance of the semi-monthly service, including the Australian line, is not less than 10,000 tons per month.

It is upon the existence or non-existence of the means of transport, the Directors take leave to submit, that the whole question hinges; they have without hesitation paid latterly 100 per cent. more in the price of coals than the same supply would have cost at the rates which ruled when their tender for the double mail service was accepted in March last, and it was not until price ceased to form part of the question that the Directors applied to their Lordships, with a request that they would be pleased to take cognizance of the existing state of things. The Directors would respectfully repeat their conviction that twenty sail of vessels of 500 tons each, or for any other burden equal to 10,000 tons per month, cannot now be obtained; and they beg to solicit their Lordships' perusal of the letters from well-known contractors inclosed herewith, confirming their opinion.

It is within the knowledge of the Directors, that all available and suitable tonnage has been swept away from the ports of Holland, and that large Dutch ships are now loading at Liverpool for Australia; it is also a fact that even a Spanish ship having arrived at Liverpool, her consignee received the very next day a lucrative offer for freight for the British colonies.

As soon as the impending scarcity of shipping became apparent, not only did the Directors yield to the higher prices required by the contractors, but they sought for other means of keeping up a supply, and purchased at a cost of 15,000*l.*, a screw-collier, with the intention of employing her in the conveyance of fuel from the coal-producing districts of the Eastern Archipelago to their depôts in the China Seas; this vessel, which is capable of carrying 700 tons of coals, is being completed with all despatch.

Under all the circumstances of the case, the Directors would now respectfully suggest that as the Company have at present in store, and on the way to their Eastern depôts, sufficient fuel for twelve months' consumption, or nearly so, for carrying on a monthly communication, as shown by the inclosed Tables marked A and B, the execution of the new arrangements for the semi-monthly communication be postponed for that period, and that in the interim the mail service be carried on monthly under the yet existing contract of 1844, the

Company continuing to perform at a mileage rate, to be agreed upon, the service between Marseilles and Malta, and between Singapore and Australia, upon which they have already entered.

In carrying out this proposition, the Company must still seriously suffer, inasmuch as they have already built, and have under construction, nine steamships intended for the performance of the double service, involving an outlay of 650,000*l.*; which amount of capital must remain not only unproductive, but undergoing depreciation pending the commencement of the operations, for the execution of which it was expended. (See Table marked C.)

I have, &c.

(Signed) C. W. HOWELL, *Secretary.*

Messrs. W. S. Lindsay and Co. to the Peninsular and Oriental Company.

Gentlemen,

8, *Austin Friars, January 27, 1853.*

WE have your instructions with respect to the Hong-Kong contract held by us.

Knowing, however, your very great anxiety with relation to these contracts, we think it our duty to advise you exactly how we stand as contractors with you.

We have, as you are aware, as large a command of tonnage as any firm in this country.

Notwithstanding this, however, we are utterly precluded from fulfilling our engagements for Hong-Kong, as, from your own knowledge of the extraordinary position of the shipping trade, you cannot but be aware.

With regard to Singapore, the prospect of obtaining tonnage is, if possible, even worse; and we really do not see how we can find ships for the balance of our contract for that port.

It is not a question of rate. There are no ships. They are either fixed for Australia, or fixed there for want of crews to bring them away.

The difficulty is absolute, and quite independent of any question of rate. Viewing this, we feel bound to tell you candidly, that unless a change take place, we must break down in our contract with you.

We will leave no stone unturned to perform our part, but we cannot do impossibilities; and under the extraordinary circumstances of the case, we anxiously await your advice as to how we should act in order to protect your interests.

We are, &c.

(Signed) W. S. LINDSAY & CO.

Messrs. H. and C. Toulmin to Mr. Howell.

Sir,

31, *Great St. Helens, February 1, 1853.*

IN reference to our contracts for the delivery of coals at Ceylon, Calcutta, and Bombay, we are sorry to inform you that it will be quite impossible for us to fulfil them, from the fact that vessels are not to be had for this employment. We have been for some time endeavouring to procure tonnage, we may almost say, without reference to the rate of freight, but cannot succeed.

We attribute the cause, on the one hand to the detention of vessels in Australia, and on the other, to the great demand that exists for the few vessels available, the owners of which will not take a freight of coals so long as they can get other employment.

We shall continue to do our best; at the same time, we do not think there will be a change in this state of things for some time to come, and we therefore trust you will deal leniently with us, since the inability to comply with the terms of the contracts arises from circumstances over which we have no control.

We are, &c.

(Signed) H. & C. TOULMIN.

Messrs. Phillips, Shaw, and Lowther, to the Peninsular and Oriental Company.

2, Royal Exchange Buildings,
February 2, 1853.

Gentlemen,

WITH reference to your inquiry as to the rate at which we would undertake to supply you with coal at Singapore and other ports in India, we beg to say that at the present time we could not undertake any contracts for so doing.

We were on the 24th ultimo requested by you to furnish tenders for the supply of 4,000 tons of coal to Singapore to leave this country during the months of February and March. Our principal filed in, sealed, and was on the point of forwarding to you the accompanying tender for such supply at the rate of 70s. per ton, deeming at the time that it would be a safe and profitable transaction. Fortunately, just as the tender was about to leave this office, one of his partners came in and expressed his conviction that we should be unable to obtain tonnage at even that high rate, which opinion has by subsequent experience been fully justified, and we now congratulate ourselves on not having handed it to you.

We hand it to you still sealed, together with your letter, in the margin of which you will find the rate marked by the writer for our guidance had you accepted the tender.

We beg to add that we could not now accept much higher terms for the required supply.

We remain, &c.
(Signed) PHILLIPS, SHAW, & LOWTHER.

(A.)—RETURN of the Stock of Coals belonging to the Peninsular and Oriental Steam Navigation Company, at their Depôts, and on the way, in the Indian and China Seas, and their Consumption, calculated on *once* a-month mail service.

Port.	Date of last Account.	Monthly Demand.	Stock, &c., on the way. Supply for months.	Stock.	On the way.	Total.	Deduct issues from date of last account to this date.	Deduct issues during the interim, the issues being the issues on hand at this date and arrival out.	Remainder.	Equal to requirements for months.
		Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	
Suez	Dec. 31	100	42	2,495	1,742	4,237	100	760	3,387	33½
Aden	" 23	1,000	23½	17,118	6,621	23,739	1,000	5,000	17,739	17½
Ceylon	" 3	1,200	19½	5,665	18,151	23,856	2,400	6,000	15,436	12½
Madras	Nov. 25	100	45½	2,729	1,844	4,573	200	450	3,923	39
Calcutta	Dec. 8	500	23	3,202	3,237	11,430	1,000	2,250	3,184	16½
Bombay	" 31	500	18	3,813	5,324	9,137	500	2,250	6,387	12½
Penang	Nov. 30	100	23½	1,159	1,207	2,366	200	500	1,666	16½
Singapore	" 30	700	18	6,337	4,185	12,522	1,400	4,200	6,922	10
Hong Kong	Sep. 30	450	25½	3,572	7,990	11,562	1,800	2,475	7,287	15

(B.)—RETURN of the Stock of Coals belonging to the Peninsular and Oriental Steam Navigation Company at their Depôts, and on the way, in the India and China Seas, and their Consumption, calculated on twice a-month mail service.

Port.	Date of last Account.	Monthly Demand.	Stock, &c., on the way. Supply for months.	Stock.	On the way.	Total.	Deduct losses from date of last account to this date.	Deduct losses during interval since the vessel having been laid at this date and arrival out.	Remainder.	Equal to requirements for months.
Suez	Dec. 31	Tons. 200	21	Tons. 2,495	Tons. 1,742	Tons. 4,237	Tons. 200	Tons. 1,500	Tons. 2,537	12½
Aden	" 23	2,000	11½	17,118	4,621	23,739	2,000	10,000	11,739	5½
Ceylon	" 1	2,400	9½	5,685	12,161	23,836	4,800	12,000	7,036	2½
Madras	Nov. 25	900	22½	2,729	1,844	4,573	400	900	3,273	16½
Calcutta	Dec. 8	1,000	11½	3,202	2,237	11,439	2,000	4,900	4,939	5
Bombay	" 31	1,000	9	3,813	5,324	9,137	1,000	4,500	3,637	5½
Penang	Nov. 30	900	11½	1,159	1,307	2,366	400	1,000	966	4½
Singapore	" 30	1,400	9	2,337	4,185	12,526	2,800	2,400	1,326	nearly 1
Hong Kong	Sep. 30	900	12½	3,572	7,990	11,562	3,600	4,950	3,012	3½

(C.)—Tonnage and Cost of the following Vessels.

Ship.	Builders.	Tonnage O.M.	Cost.
Himalaya	C. J. Mare & Co. ..	3,540	£132,000 0 0
Candia	C. J. Mare & Co. ..	1,898	69,200 0 0
Nubia	John Laird	1,840	65,750 0 0
Pera	John Laird	1,840	69,250 0 0
Colombo	R. Napier	1,848	63,200 0 0
Simla	Tod & McGregor ..	2,417	77,800 0 0
Bengal	Tod & McGregor ..	2,232	68,800 0 0
Valetta	C. J. Mare & Co. ..	951	52,801 10 0
Veetis	J. & R. White	951	52,326 0 0
		17,517	£650,127 10 0

The Secretary to the Admiralty to the Peninsular and Oriental Company.

Gentlemen,

Admiralty, February 23, 1853.

HAVING laid before my Lords Commissioners of the Admiralty your letter of the 9th instant, with reference to the difficulties in obtaining tonnage for the conveyance of coals, to enable you to carry out the mail service between this country and India, China, and Australia, I am commanded by their Lordships to acquaint you that they cannot agree to your proposal for the postponement of the semi-monthly communication for twelve months, but have under consideration the steps that may be necessary to adopt under the circumstances mentioned.

I am, &c.
(Signed) R. OSBORNE.

The Secretary to the Admiralty to the Peninsular and Oriental Company.

Gentlemen,

Admiralty, March 1, 1853.

WITH reference to your letter of the 9th ultimo, in which you state that sufficient tonnage cannot at present be procured in this country for the conveyance of fuel to the Eastern Seas, to maintain the whole of the postal service contracted for, and requesting that the new arrangement for the semi-monthly communication be postponed for twelve months, I am commanded by their Lordships to acquaint you that my Lords are willing that the existing agreement be so modified that those portions of the semi-monthly service which have been recently established between Southampton and Malta, and between Suez and Calcutta, and also between Point de Galle and Hong Kong, shall be altogether omitted; on the condition that a corresponding deduction be made, bearing the same proportions to the annual payment agreed to in the contract of January 1853, that the mileage of service omitted bears to the whole mileage contracted for; their Lordships being at liberty to resume this service whenever they shall think fit, and to make agreement for the purpose with other persons than you, if thought necessary.

I am, &c.

(Signed) R. OSBORNE.

*Mr. Howell to the Secretary to the Admiralty.**Peninsular and Oriental Steam Navigation Company's
Offices, 122, Leadenhall Street, March 4, 1853.*

Sir,

I HAVE the honour, by order of the Directors, to acknowledge the receipt of your letter dated the 1st instant, stating that the "Lords Commissioners of the Admiralty are willing that the existing agreement be so modified that those portions of the semi-monthly service which have been recently established between Southampton and Malta, and between Suez and Calcutta, and between Point de Galle and Hong-Kong, shall be altogether omitted, on the condition that a corresponding deduction be made bearing the same proportion to the annual payment agreed to in the contract of January 1853, that the mileage of service omitted bears to the whole mileage contracted for; their Lordships being at liberty to resume this service whenever they shall think fit, and to make agreements for the purpose with other persons than you, if thought necessary."

The proposition thus conveyed by their Lordships would, if accepted by the Company, be attended with results so much more disadvantageous than even those which the Directors have looked forward to, from the difficulty in which the impossibility of procuring ships for the transport of fuel, has involved them, and would differ so widely in its effect from that submitted in my letter dated the 9th ultimo, that they feel it to be a duty to point out certain considerations which may possibly not have engaged their Lordships' attention, but which have a most important bearing on the whole case.

The Directors would, in the first place, respectfully state to their Lordships that the very low rate at which they were enabled, in March last, to tender for the whole semi-monthly service, was mainly owing to the fact that the Company already possessed at every station of the line, with the exception of the newly-included ports of Marseilles, and those in Australia, establishments equal to the efficient conduct of a double amount of business; while at the important terminal ports of Calcutta, Bombay, and Singapore, in the East, and at Southampton in this country, they had, at an immense outlay of capital, acquired the possession or command of docks, workshops, stores, offices, and staff, in like manner equal to the accommodation, outfit, and management of an increased number of ships.

The capital sunk in these establishments exceeds 100,000*l*, and the annual cost of keeping them up under the old contract was not less than 71,000*l*.; thus, in calculating the terms of their tender for the new service, the Directors were mainly influenced by the consideration that in doubling their operations, the outlay of capital would be confined to the amount requisite for the construction of a sufficient number of new ships, while the pressure of the heavy debt of interest on that sunk in docks and shore establishments would be lessened in

proportion to the increase of the Company's operations in the conveyance of passengers and cargo.

Upon these grounds the Directors were not deterred from making a tender for the whole service included in the conditions published by their Lordships at a rate per mile very far below that of their existing Mail contract, or of any other of similar magnitude, and on the acceptance of that tender they immediately entered into engagements for the construction of the additional ships necessary for the performance of the service; the total cost of these being 650,000*l.*, as shown by the inclosed Table.

The Directors would now crave their Lordships' consideration of the fact that, the acceptance of the proposition contained in their letter now under reply would work in direct opposition to the above calculations, and with injury to the interests of the Company in two ways. In the first place, all the Company's costly establishments must be kept up at the same, or (as prices now are) at a greater expense than under the old contract, while they would remain equally unproductive; and, in the second place, the fleet of new ships built expressly for the extended service would be idle and depreciating, or be sold at a sacrifice.

In addition to these disadvantages the Company would be burdened with the performance of those portions of the new scheme which are the most expensive and least productive,—namely, the lines between Marseilles and Malta, and Singapore and Australia. For the first of these the Directors have built two vessels of 1000 tons, and 400 h. p., each of which they confidently expect will equal, if not exceed in speed, the fast vessels recently employed by Her Majesty's Government on the same service, while the expenses will be greater in proportion to the increased size of the vessels. As their Lordships are in a position to ascertain the cost of running despatch steamers on this line, the Directors would respectfully request a reference to the public accounts, in order that they may appreciate the extent to which the average mileage rate for the reduced service would be affected by the addition of this line to the scheme of the old contract.

With regard to the Australian line, the Directors trust that, although it cannot be expected to yield a profit on the terms of the new contract, it may, at any rate, be worked without actual loss.

The Directors trust they have now placed the matter in a light which will make it apparent to their Lordships that, with a due regard to the interests of their proprietary, they could not entertain the proposition in its present shape, inasmuch as they are called upon to abandon all that would appear to be advantageous, and to retain all that is the reverse of the new contract; while their Lordships reserve the right, after the new scheme has borne the test of experience, to restore the portion of the work now to be withheld, or to submit the performance of it to other parties.

The Directors can only foresee two results in such an arrangement,—namely, if the suspended portion of the work proved likely to be profitable, their Lordships would be bound to invite tenders and to award it to the lowest bidder, or if the reverse, to call upon the Company to resume it. It is difficult to say which of those two issues would most damage the interests of the Company.

They would, therefore, respectfully urge upon their Lordships to consider whether the matter might not be more fairly and equitably adjusted by the introduction in the new contract of a proviso to the following effect:

"That, in consequence of the present impossibility of procuring sufficient shipping for the conveyance of fuel to the Company's depôts in the India and China Seas, the Contractors shall be permitted, after the 1st of April next, to cease running the semi-monthly or second line between China and India and between India and Southampton until the 1st of April, 1854, unless they give three months' notice to the Lords Commissioners of the Admiralty that they are prepared to carry out this suspended portion of the contract on the 1st of January next.

"In consideration of which the Contractors agree that a deduction shall be made from the contract-money in proportion as the mileage so remitted bears upon the whole mileage contracted for,—the mileage, in regard to distances, to be decided by the Hydrographer of the Admiralty."

I have, &c.

(Signed) C. W. HOWELL, *Secretary.*

VESSELS in course of Construction for the Peninsular and Oriental Steam Navigation Company.

Name.	Cost.	
	£	s.
Vectis	52,326	0
Valetta	52,801	10
Cadiz	28,050	0
Douro	28,050	0
Himalaya	132,000	0
Simla	77,300	0
Nubia	65,750	0
Colombo	63,200	0
Candia	69,200	0
Pera	69,250	0
Tartar	17,567	0
	£ 655,494 10	

March 1853.

(Signed) C. W. HOWELL.

The Secretary to the Admiralty to the Peninsular and Oriental Company.

Gentlemen,

Admiralty, March 11, 1853.

WITH reference to your letter of the 4th instant, I am commanded by my Lords Commissioners of the Admiralty to acquaint you that my Lords regret that they cannot accede to such an alteration of the contract for the mail service between this country, India, China, and Sydney, *vid* Singapore, as would preserve you from pecuniary loss; but as the suspension of a part of the service contracted for must occasion inconvenience to the public, my Lords have considered it their duty to secure a corresponding advantage as compensation, and with that view they have required,

1st. That the reduction of payment shall be proportionate to the remission of packet-service, and shall bear the same proportion to the annual payment, agreed to in the contract of 1853, that the mileage of packet-services omitted bears to the whole mileage contracted for; and,

2ndly. That the resumption of the suspended portion of the packet-service shall be left optional to both parties, and unfettered by the engagement of the contract; that their Lordships shall be at liberty to have it renewed or not as they think fit, and shall not be bound to employ you, but may make any arrangements for its renewal they please. I am further to acquaint you that my Lords did not, as you in your letter appear to have assumed, claim the right of requiring you to resume the suspended service at the contract rate; and that to these terms their Lordships still adhere, and on these terms alone do they consider themselves justified in consenting to a relaxation of the contract.

I am,
(Signed) R. OSBORNE.

The Secretary to the Admiralty to the Peninsular and Oriental Company.

Gentlemen,

Admiralty, April 2, 1853.

I AM commanded by my Lords Commissioners of the Admiralty to acquaint you that my Lords have received a communication from the Committee appointed to consider the Contract Packet Service, stating that they have received a deputation from the Peninsular and Oriental Steam Packet Company, but that after hearing the reasons urged by the deputation on behalf of their proposal, that a right should be secured to the Company of resuming at the end of a year those portions of the semi-monthly mail service which the Company request leave to suspend; they have come to the conclusion that the

proposal is not one that they can recommend for the adoption of the Government. My Lords therefore have only to repeat to you that they cannot consent to the departure from the contract sought by you, except upon the terms mentioned in my two letters of the 1st and 11th March last, and my Lords request to be informed what course you mean to take.

I am, &c.
(Signed) R. OSBORNE.

Mr. Howell to the Secretary of the Admiralty.

*Peninsular and Oriental Steam Navigation Company,
London, 7th April, 1853.*

Sir,

I HAVE the honour, by order of the Directors, to acknowledge the receipt of your letter, dated 2nd instant, stating that the Lords Commissioners of the Admiralty cannot consent to the suspension of the semi-monthly service except upon the terms mentioned in your two letters dated 1st and 11th of March, and requesting to be informed what course the Directors mean to take.

In reply, I am instructed to express the regret and disappointment of the Board of Directors at having found their Lordships unwilling to afford the temporary relief sought by the Company under the pressure of circumstances of a most extraordinary and unexpected nature, and over which they had no control.

The Directors would here respectfully observe, that at the interview they had the honour to have with the Honourable Committee on the Packet Service, the Deputation proposed that the Company should resume the portion of the service in question at an earlier period than one year if tonnage for the conveyance of coals could be procured, and offered to submit to the decision of any authorized officer in Her Majesty's service the question as to the possibility of obtaining the necessary shipping for that purpose.

With these observations, the Directors have only to state that the decision now communicated by their Lordships leaves them no alternative but to continue the entire service, and to endeavour to overcome the difficulties it presents by every means at their command.

Whatever may be the result, the Directors will consider that, in calling the attention of Her Majesty's Government to the circumstances set forth in the recent correspondence, and explained by the Deputation to the Committee alluded to, they have performed a duty which was required of them, not only as trustees of the interests of a large proprietary, but as servants of the public engaged in a work of national importance.

I am, &c.
(Signed) C. W. HOWELL, *Secretary.*

APPENDIX (E).

Dates of arrival of Letters at Liverpool from Lima.

Date of Lima Letters.	Dates of arrival of West India Packets at Southampton.	Received and New York at Liverpool.
February 12, 1850	April 5, 1850	April 2, 1850
March 12, "	May 3, "	April 29, "
April 12, "	June 2, "	May 31, "
May 12, "	July 2, "	June 22, "
June 12, "	August 4, "	July 22, " *
July 12, "	September 18, "	August 26, "
August 8, "	October 4, "	September 20, "
September 8, "	October 19, "	October 21, "
October 8, "	November 19, "	November 25, "
November 8, "	December 21, "	December 22, "
December 8, "	January 22, 1851	January 20, 1851
January 8, 1851	February 25, "	February 22, "
February 8, "	March 25, "	March 24, "
March 8, "	April 24, "	April 22, "
April 8, "	May 22, "	May 8, "
May 8, "	June 20, "	June 18, "
June 8, "	July 20, "	July 21, "
July 8, "	August 20, "	August 17, "
August 8, "	September 23, "	September 22, "
September 8, "	October 23, "	October 20, "
October 8, "	November 26, "	November 20, "
November 8, "	December 25, "	No date given.
December 8, "	January 23, 1852	January 19, 1852
January 8, 1852	February 26, "	March 1, "
February 8, "	April 3, "	March 30, "
February 28, "	April 25, "	April 19, "
March 8, "	..	No date given.
March 28, "	May 8, "	May 3, "
April 8, "	May 22, "	May 16, "
April 22, "	June 5, "	May 31, "
May 10, "	June 21, "	June 21, "
May 26, "	July 10, "	July 5, "
June 9, "	July 17, "	July 19, "
June 25, "	August 2, "	August 2, "
July 10, "	August 17, "	August 16, "
July 27, "	September 5, "	August 29, "
August 9, "	September 22, "	September 27, "
August 25, "	September 29, "	No date given.
September 11, "	October 16, "	October 18, "
September 25, "	November 2, "	November 16, "
October 11, "	November 17, "	November 24, "
October 26, "	December 9, "	December 6, "
November 11, "	December 19, "	December 27, "
November 25, "	January 8, 1853	January 11, 1853
December 11, "	January 18, "	January 31, "
December 24, "	February 2, "	February 14, "
January 11, 1853	March 6, "	March 2, "

APPENDIX (F).

Copy of Report on the General Screw Steam-Shipping Company.

My Lords,

Admiralty, March 18, 1853.

HAVING had our attention directed to a communication from Mr. Ellis, the Chairman of the General Screw Steam-Shipping Company, stating the difficulties which the Company have met with in relation to their contract for the conveyance of the mails between England and Calcutta by way of the Cape of Good Hope, and having been requested by one of the Directors (Mr. Fox) to afford Mr. Ellis and himself an opportunity of personal communication on the subject, we have had an interview with those two gentlemen, in the course of which they stated to us more fully the nature and extent of their difficulties, and of the relief which they seek from Her Majesty's Government.

They estimate the annual loss at which the Company is now carrying on its operations at not less than 40,000*l.* or 50,000*l.*, and they consider that, if the service at present performed is to be continued, the Government subsidy must be increased to 80,000*l.* per annum. The present subsidy is 50,000*l.* for the first year, 45,000*l.* for the second, and 40,000*l.* for the third and every succeeding year. The increase would therefore amount to 38,000*l.* per annum.

It appears that, before the negotiation of the last contract, the General Screw Steam-Shipping Company was engaged in the conveyance of the mails from England to the Cape of Good Hope by way of Sierra Leone, receiving for the service a subsidy of 30,000*l.* per annum. In 1852 they competed for and obtained the additional service from the Cape by way of Mauritius to Calcutta, and were at the same time permitted to exchange the route by Sierra Leone for the route by the Isle of Ascension, an alteration which at the time appeared desirable to the Government, as affording the means of communicating with the African squadron, and which was beneficial to the Company, inasmuch as the voyage by Sierra Leone operated to the discouragement of the passenger traffic. They now state that the calculation upon which their tender was framed was not made with sufficient care, and would, under the most favourable circumstances, barely leave a reasonable profit; that the rise in the freight of coals has very materially affected them, and turned the profit which they anticipated into a heavy loss. Lastly, that the necessity of performing the voyage by way of the Isle of Ascension involves a great expenditure of fuel, as the cruise is such as to deprive them of the advantage of the trade wind. They consider that they could save from 10,000*l.* to 12,000*l.* a-year by proceeding in a direct line to the Cape without calling either at Ascension or Sierra Leone, but that even this voyage could not be carried off without an increase of subsidy.

We find that at the time the extension of the service from the Cape to Calcutta was under consideration, several parties were ready to undertake it, even without the advantage of carrying the mails all the way from England to the Cape; and among the tenders then sent in for the new service, we find one of the amount of only 14,000*l.*, being but a trifle above the addition made to the previous subsidy received by the General Screw Steam-Shipping Company. Under these circumstances we think it quite out of the question that the Government should assent to the request of the Company for an increase of 38,000*l.* upon their present subsidy, and we recommend that any reconsideration of the contract be simply declined, and the Company called on to fulfil their engagements or relinquish them altogether. Should they adopt the latter alternative, careful consideration will be needed as to the steps to be taken for maintaining a regular com-

munication with the Cape and the Mauritius, and as to the possible expediency, on many grounds, for maintaining a line of vessels by way of the Cape to India. We are pursuing inquiries on these points without delay. In the meantime, we feel little hesitation in expressing our belief that arrangements may without difficulty be made for maintaining a very frequent, if not a perfectly regular communication with the Cape by means of vessels passing to and fro on the lines to India and Australia, which might be induced to call there for the purpose of receiving and delivering the mails; and the Mauritius may be reached, as heretofore, by way of Ceylon. The service to the Isle of Ascension does not appear, at present, to be of any paramount importance. We reserve these matters, however, for fuller consideration on a future occasion, in case the Company should actually come to the resolution of abandoning its contract.

We have, &c.

(Signed)

CANNING.
WM. COWPER.
STAFFORD H. NORTHCOTE.
R. MADOX BROMLEY.

APPENDIX (G).

Copy of Report on the Australian Royal Mail Steam Navigation Company.

My Lords,

Admiralty, March 16, 1853.

WE have had under our consideration two letters addressed to the Lords Commissioners of the Admiralty on the 9th and 14th instant, by Mr. J. Griffith Frith, Chairman of the Board of Directors of the Australian Royal Mail Steam Navigation Company.

These letters set forth various circumstances which have occurred to interfere with the due execution of the engagements of the Company under their contract with the Lords Commissioners of the Admiralty, especially as regards the service to be performed by the steam-ship "Australian." They ask a favourable consideration of these circumstances, and request that, as it is impossible for the Company to secure a ship for the conveyance of the mails of the 3rd of April next, their Lordships will grant a postponement of that mail till the 3rd of June, allowing the bi-monthly dates subsequent thereto to be substituted for those now established.

We are of opinion that no sufficient reason exists for the extension of this indulgence to the Company.

We find that the services which the Company is bound to perform, have been marked by great and repeated irregularity.

The "Australian," the first vessel despatched under this contract, sailed from Plymouth on the 5th of June (the third being the day fixed), and occupied 65 days in reaching Sydney instead of 79 as appointed.

The same vessel, upon her return voyage, occupied 113 days instead of 80.

The "Melbourne," which should have left Plymouth on the 3rd of October, did not arrive at that port until the 8th, was then detained for repairs, and did not sail finally until the 15th; the mails for the Cape of Good Hope having been meanwhile transferred to the "Calcutta," a vessel belonging to another Company.

The "Adelaide," which should have left Plymouth on the 3rd of December, was, under sanction of the Lords of the Admiralty, detained until the 18th, and, having sailed on that day was obliged to put back in a leaky state, and did not finally leave Plymouth until the 2nd of January, 1853.

The "Australian" should have left Plymouth on the 3rd of February. The Company, however, obtained the sanction of the Lords of the Admiralty to delay her sailing until the 23rd. She was not ready on that day, and did not put to sea until the 24th; for which additional delay the penalty prescribed by the contract was enforced. On the 25th she returned disabled, with much damage to the mails, which were thereupon, in chief part, despatched by the Peninsular and Oriental Company's vessel of the 4th of March, via Alexandria and Singapore.

The "Australian" put to sea again on the 10th of March, and again returned disabled on the 14th. The mails for the Cape of Good Hope and Natal were transferred on the following day to the "Lady Jocelyn," a vessel belonging to another Company; and the conveyance of those for Australia, with which the "Australian" was charged on her last departure, must now be provided for by some other means, and at a new expense.

We are of opinion that, if a contract under which so large a sum as 26,000*l.* is annually paid to a Company, and from the strict letter of which relaxation has been so freely conceded to them, does not secure the Government and the public against such frequent and serious irregularities and failures in the conveyance of the correspondence as those above-mentioned, there is no inducement on the part of the Government to consent to the

demand now made, either as a boon to the Company or with a view to the future interests of the public.

We therefore recommend that the Lords Commissioners of the Admiralty should decline to accede to the request contained in Mr. Frith's letters of the 9th and 14th instant, and that the Company should be called upon to fulfil their contract, and to inform Her Majesty's Government with the least possible delay whether they are prepared to do so.

We have, &c.

(Signed)

CANNING.

WM. COWPER.

STAFFORD H. NORTHCOTE.

R. MADOX BROMLEY.

APPENDIX (H).

Copy of a Letter from Her Majesty's Postmaster-General to the Lords of the Treasury, submitting a plan for the conveyance of Mails to Australia.

My Lords,

General Post Office, April 25, 1853.

AS the public have recently suffered great inconvenience, owing to the irregular performance of the service of the Contract Mail-packets on some of the lines established by Her Majesty's Government between this country and the colonies, I think it desirable not to neglect any opportunity that may offer for ascertaining whether arrangements of a more efficient and economical nature may not be adopted in some cases, in place of the present Contract-packet system.

Such an opportunity appears to present itself in the case of the Australian Mails carried by way of the Cape of Good Hope; the Lords Commissioners of the Admiralty having, as your Lordships are aware, dissolved the contract with the Royal Australian Mail Company for that service; and the conveyance of Mails to Australia in the alternate months in which there is no communication by way of Singapore being now provided for.

In place, therefore, of recommending to your Lordships to take steps for entering into a new contract upon the system hitherto followed, I beg to lay before you the following plan:

Having fixed the days and ports of departure for some months in advance, and also assigned a definite sum (in the present instance I propose 1000*l.*) as the payment for each outward voyage, I propose to advertise for tenders, leaving it to the parties tendering to offer for either one or more of such outward voyages, as they may prefer; that tender, whether for steamer or sailing-vessel, to be accepted (with the necessary stipulations for the security of the Mails, &c.) which undertakes, on the subjoined conditions, to perform the voyage in the shortest time. The conditions to be—

First—That for every day's delay, from whatever cause, in the time of sailing, there be levied a fine—say of 50*l.*

Secondly—That a fine (say of 20*l.*) be levied for every day that the voyage, counting from the time of actual sailing, shall, from whatever cause, exceed the specified period.

Thirdly—That the total fines shall in no case exceed the sum assigned for the service by more than a certain proportion—say 25 per cent.

As regards the return Mail, regularity of departure being far less important, it appears to me that it will be best to leave the settlement of this matter to the colonial authorities on the spot, especially in the present condition of shipping in the Australian ports, and seeing that the interests of the colonies are to a great extent secured by the existing arrangement relative to ship letters, and by the fixed return of the bi-monthly Mail by Singapore.

Should the arrangement be adopted, and the sum suggested prove sufficient, the cost to the mother-country of this line of packets would be reduced from 26,000*l.* to 6,000*l.* per annum, even supposing the packets to be so regular that the 1000*l.* should be paid in full every time.

To facilitate this arrangement, and to secure the most speedy transmission of the more important Mails, it seems desirable that the packets should not be required to touch at minor ports,—as, for instance, King George's Sound; the conveyance to such places from the larger ports being left to opportunity.

I am inclined to think that the proposed plan might be carried out

with much advantage; and, should your Lordships concur in this opinion, I request that you will be pleased to authorize me to make trial of it.

Should your Lordships approve of my so doing, I request that I may be authorized to arrange the fines and other details of the measure as I may find most expedient; as also to consult Her Majesty's Secretary of State for the Colonies upon parts of the plan.

I think it right to add that I have communicated this proposal to the members of the Committee appointed under your minute of the 1st of March, 1853, to examine into the system of packet contracts, and that it is favourably viewed by them, although the responsibility attaching to it rests of course with this department.

I have, &c.
(Signed) CANNING.

APPENDIX (I).

May 1853.

ESTIMATE of the Present Annual Amount of Postage accruing to Great Britain on the Foreign and Colonial Correspondence conveyed by the several Lines of Packets; together with a statement of the Cost of the Packet Service under the several Contracts, as shown by the Abstract published by the Admiralty for the month of April 1853.

Note.—This Estimate has been founded on an account taken for the month of December 1852, except as regards the Brazilian and East Indian Lines, the accounts for which were taken in February 1853, and the mail inward from Australia, which was taken in the month of March 1853.

The deduction for "Returned Letters" is, in each case, the estimated amount of postage lost by the non-delivery, from various causes, of part of the unpaid correspondence.

The deduction for "British Inland Rate" is, in each case, estimated at 1½d. per single rated letter. This sum, which is the mean of the prepaid and unpaid rates on inland letters, is, in respect of the correspondence with the United States, fixed by Treaty.

The deduction for "Colonial Inland Rate," or for "Foreign Inland Rate," when made, is also estimated at 1½d. per single rated letter, and is necessary to meet expenses incurred by the British Post Office at certain Foreign and Colonial stations in the receipt and dispatch of the correspondence. On the average this deduction about equals the expense incurred.

Title of the Line of Packet.	Estimated Amount of British Transmarine Postage for the year.			Terms of Contract for Packet Service.	Amount per Annum.		
	£	s.	d.		£	s.	d.
NORTH AMERICAN:							
British North America ...	37,924	19	0	Liverpool, Halifax, and Boston . . .	145,000	0	0
United States... ..	92,916	10	0	Liverpool and New York . . .	28,340	0	0
California, &c.	2,866	16	0	Halifax, Bermuda, and New York } 10,600	0	0	
*Add postage on continental letters by British packet ...	9,813	5	4	Halifax and Newfoundland . . .	4,100	0	0
Add postage on local letters, and for closed mails to and from France and Prussia ...	17,028	18	0	Bermuda and St. Thomas ...			
	160,069	8	4				
Deduct amount repayable to United States, and for transit, &c., postage	10,868	19	0				
	149,202	9	4				
Deduct for returned letters . . .	5,535	0	0				
	143,667	9	4				
Deduct for British Inland Rate	2,394	0	0				
Total	120,863	9	4	Total	183,040	0	0

* The amount given as postage for continental letters shows the total postage belonging to Great Britain on the correspondence passing between North America and the Continent of Europe, *and* England; no portion of the amount being included in the sums given as the postage on the correspondence conveyed by the French, Belgian, Holland, or Hamburg packets.

Title of the Line of Packet.	Estimated Amount of British Transmarine Postage for the year.	Terms of Contract for Packet Service.	Amount per Annum.
	£ s. d.	£ s. d.	£ s. d.
WEST INDIAN	67,250 2 0	England, West Indies, Gulf of Mexico, and Brazil	270,000 0 0
Deduct for returned letters	2,496 0 0		
	64,755 2 0		
Deduct for British Inland Rate	8,094		
Deduct for Colonial Inland Rate	8,094		
	48,667 2 0		
Add for the conveyance of the Brazilian Mails between the United Kingdom and Chagres (see Pacific Line of Packets)	5,000 13 6		
	*53,667 15 6		
†BRAZILIAN	44,091 17 0		
Deduct for returned Letters	1,636 0 0		
	42,455 17 0		
Deduct for British Inland Rate	5,307		
Deduct for Foreign Inland Rate	5,307		
	*31,841 17 0		
Total	85,409 12 6	Total	270,000 0 0

* The whole postage belonging to Great Britain on the correspondence passing between the West Indies or the Brazil and the Continent of Europe, viz. England, is included in the above amounts; no portion of such postage being included in the sums given as the postage on the correspondence conveyed by the French, Belgian, Holland, or Hamburg packets.

† Since the date of the account on which this estimate rests (February 1852) the rates of postage to Brazil and Buenos Ayres have been reduced from 2s. 6d., and 2s. 7d., respectively, to 1s.

	£ s. d.	£ s. d.	£ s. d.	£ s. d.
PACIFIC	13,423 13 0		Pacific	25,000 0 0
Add for conveyance of French closed mails	1,106 16 0			
Total conveyed by West Indian packets to Chagres	14,530 9 0			
Add postage on local letters	1,463 2 0			
	16,993 11 0			
Deduct amount due to New Grenada and the United States	4,124 2 0			
	11,869 7 0			
Deduct for returned letters	440 0 0			
	11,429 7 0			
Deduct for British Inland Rate	714			
Deduct for Foreign Inland Rate	714			
	10,001 7 0			
Deduct for the conveyance between the United Kingdom and Chagres by the West Indian Packets, say one-half (see West Indian Line of Packets)	5,000 13 6			
Total	5,000 13 6	Total	25,000 0 0	

Title of the Line of Packet.	Estimated Amount of British Transmarine Postage for the year.		Terms of Contract for Packet Service.	Amount per Annum.		
	£ s. d.	£ s. d.		£ s. d.	£ s. d.	
EAST INDIAN:			East India and Alexandria, Suez, Calcutta and Hong Kong, Marseilles and Malta, Singapore and Sydney, New South Wales, East Indies and China 199,600 0 0*			
<i>and</i> Southampton—						
Gibraltar	420	16		0		
Mediterranean	10,340	0		0		
India	57,786	14		0		
China	4,968	11		0		
Add for Java closed mails, and for Red Sea postage	17,179	17		0		
Add for Australia <i>and</i> Singapore	27,029	12		0		
	117,725	10		0		
Deduct East India postage, written off by order of Treasury	18,882	0		0		
	98,743	10		0		
Deduct for returned letters	3,663	0		0		
	95,080	10		0		
Deduct for British In-land Rate	11,985					
Deduct for Colonial In-land Rate	1,965					
	13,950	0		0		
Total, <i>and</i> Southampton	81,230	10		0		
<i>and</i> Marseilles—						
Mediterranean	7,138	13		0		
India	60,360	19		0		
China	6,405	1		0		
Add for Java and French closed mails, &c.	6,848	0		0		
	70,740	13		0		
Deduct amount due to France for transit of Indian mails..	16,206	15		0		
	54,533	18		0		
Deduct for returned letters	2,023	0		0		
	52,510	18		0		
Deduct for British In-land Rate	4,647					
Deduct for Foreign In-land Rate	1,196					
	5,845	0	0			
Total, <i>and</i> Marseilles... ..	46,665	18	0			
Total	127,896	8	0			
Total				199,600	0 0	

* To be reduced to £179,600 six months after the opening of the Railway between Alexandria and Suez.

PENINSULAR	£ s. d.		England, Vigo, Oporto, Lisbon, Cadix, and Gibraltar...	£ s. d.	
	£ s. d.	£ s. d.		£ s. d.	£ s. d.
Deduct for returned letters	14,192	3	0	20,500	0 0†
	827	0	0		
	13,665	3	0		
Deduct for British In-land Rate	854				
Deduct for Foreign In-land Rate	884				
	1,708	0	0		
Total	11,957	3	0		
Total				20,500	0 0

* The whole postage belonging to Great Britain on the correspondence passing between Spain and Portugal, and the Continent of Europe, *and* England, is included in the above amount, no portion of such postage being included in the sums given as the postage on the correspondence conveyed by the French, Belgian, Hamburg, or Holland packets.

† Less 2,500L if port-dues be remitted.

Title of the Line of Packet.	Estimated Amount of British Transmarine Postage for the year.	Terms of Contract for Packet Service.	Amount per Annum.
AUSTRALIAN :	£ s. d.	England and Sydney, New South Wales	£ s. d.
(Including 3,767l. 3s. correspondence to and from the Cape of Good Hope)	34,563 12 0	Wales	26,000 0 0†
Deduct for returned letters	1,282 0 0		
	33,281 12 0		
Deduct for British Inland Rate	4,160 0 0		
Total	29,121 12 0*	Total	26,000 0 0

* The whole postage belonging to Great Britain on the correspondence passing between Australia and the Continent of Europe, *via* England, is included in the above amount; no portion of such postage being included in the sums given as the postage on the correspondence conveyed by the French, Belgian, Hamburg, or Holland packets.

† Less 50l. for each voyage, when no Admiralty agent.

CAPE OF GOOD HOPE.	£ s. d.	£ s. d.	England, Cape of Good Hope, and Calcutta	£ s. d.	£ s. d.
Cape	14,567 14 0		Cape of Good Hope and Port Natal	50,000 0 0*	
Natal	463 3 0				
Mauritius	1,254 10 0				
Calcutta	32 8 0				
Ceylon	16 4 0				
Cape de Verd	261 15 0				
St. Helena	146 9 0				
Ascension	120 16 0				
Add for local postage	110 14 0				
	16,973 13 0				
Deduct for returned letters	630 0 0				
	16,343 13 0				
Deduct for British Inland Rate	2,043 0 0				
Total	14,300 13 0	Total	53,000 0 0		

* To be reduced in June 1853, to 45,000l., and in June 1854, and the following years, to 40,000l. per annum. A sum of 1,400l. per annum is also payable for Admiralty agents.

WEST COAST OF AFRICA	£ s. d.	£ s. d.	England and Fernando Po, West Coast of Africa	£ s. d.	£ s. d.
	3,008 2 0			23,250 0 0*	
Deduct for returned letters	112 0 0				
	2,896 2 0				
Deduct for British Inland Rate	362 0 0				
Total	2,534 2 0	Total	23,250 0 0		

* Less 600l. every succeeding year during the ten years for which the contract is made.

FRENCH.	£ s. d.	£ s. d.		£ s. d.
	77,298 8 0		This service is performed, so far as the English Government is concerned, by Her Majesty's vessels.	
Deduct for returned letters	2,868 0 0			
	74,430 8 0			
Deduct for British Inland Rate	22,564 0 0			
Total	51,876 8 0			

NOTE.—Rather more than one-half of the packet service is performed by vessels employed by the French Post Office, which despatches a packet from Calais each Sunday.

Title of the Line of Packet.	Estimated Amount of British Transmarine Postage for the year.	Terms of Contract for Packet Service.	Amount per Annum.
BELGIAN	£ s. d. 87,550 9 0 Deduct for returned letters ... 1,392 0 0 36,168 9 0 Deduct for British Inland Rate 14,483 0 0 Total 21,685 9 0	This service is performed, so far as the English Government is concerned, by Her Majesty's vessels.	£ s. d. 0

NOTE.—Rather more than one-half of the packet service is performed by vessels employed by the Belgian Post Office, which despatches a packet from Ostend each Sunday.

	£ s. d.	£ s. d.	£ s. d.	£ s. d.
HAMBURGH	5,907 3 0			
Deduct for returned letters	219 0 0]			
	5,688 3 0			
Deduct for British Inland Rate	1,423 0 0	4,265 3 0		
HOLLAND	5,988 12 6			
Deduct for returned letters	222 0 0			
	5,766 12 6			
Deduct for British Inland Rate	1,083 0 0	4,673 12 6		
Total		8,944 15 0	London, Hamburg, and Rotterdam 17,000 0 0	Total 17,000 0 0

SUMMARY.

	£ s. d.		£ s. d.
NORTH AMERICAN	120,803 9 4		120,840 0 0
WEST INDIAN AND BRAZILIAN	88,409 12 6		270,000 0 0
PACIFIC	5,000 13 6		25,000 0 0
EAST INDIAN	127,806 8 0		199,600 0 0
PENINSULAR	11,987 3 0		20,600 0 0
AUSTRALIAN	29,121 12 6		26,000 0 0
CAPE OF GOOD HOPE	14,300 13 0		43,900 0 0
WEST COAST OF AFRICA	2,634 2 0		23,250 0 0
FRENCH	61,976 8 0		
BELGIAN	21,685 9 0		
HAMBURGH AND HOLLAND	8,944 15 0		17,000 0 0
Total	470,660 8 4	Total (exclusive of the cost of the French and Belgian packets; of any future payment for the transit of the Australian mails through Egypt, and of the amount payable to the East India Company)	822,390 0 0

NOTE.—The Government Transmarine Postage 41,920*l.*, estimated on the accounts for the month of December 1852, is included in the above.

APPENDIX (K).

Correspondence between the Admiralty and the Royal Mail Steam Packet Company.

The Secretary to the Admiralty to the Royal Mail Steam Packet Company.

Gentlemen,

Admiralty, July 21, 1853.

WITH reference to your letter of the 16th ultimo, I am commanded by my Lords Commissioners of the Admiralty to acquaint you that if their Lordships are thereby to understand that although admitting the time-tables to be a part of your contract, yet you contend that these tables were inserted only to define what the contracting parties believed to be the probable time with which the service would be performed, and that although a wilful departure from their provisions would be a breach of the contract, yet that departures from them arising from mismanagement or want of speed in the vessels, constituted no such breach, my Lords must remark that such a view is not justified by the facts of the case.

The time-tables are connected with that clause of the Articles of Agreement in which you engage that you will diligently, faithfully, and to the satisfaction of my Lords Commissioners of the Admiralty, and with all possible speed, convey the mails as mentioned in the tables of routes appended; the time-tables are referred to in other clauses, and exceptions are made for unforeseen causes, and according to the rules of legal construction applicable to such documents no grounds exist for doubting that they are part of the contract, and are obligatory upon the contractors. It must also be remembered that the time-tables are the only provision in the contract for securing the increase of speed, which was one of the conditions and objects of the renewal of the contract in 1850. No condition was inserted to compel you to enlarge the size or power of the packets, and if it were held that the time-tables did not enforce a particular rate of speed, it would follow that there is no guarantee in the renewed contract for the increased rate of speed agreed to.

My Lords have been desirous to treat you with as much consideration as their duty would allow, and to give full weight to the plea urged by you, that accidents beyond your control (such as the loss of the "Amazon" and "Demerara") have prevented the completion of the number of your new vessels, and their Lordships have been willing to wait for the launching of the remaining ships before they took serious notice of the irregularities and delays which have occasioned so much disaffection amongst those interested in the regular and rapid conveyance of the correspondence; but as three years have elapsed since the contract was signed, it appears to my Lords that ample time has now been allowed for the complete organization of the service, as prescribed in the time-tables annexed to the contract; and my Lords must henceforth insist upon a punctual execution by you of your engagement.

I am, &c.

(Signed)

W. A. H. HAMILTON.

The Secretary to the Admiralty to the Royal Mail Steam Packet Company.

Gentlemen,

Admiralty, June 3, 1853.

I AM commanded by my Lords Commissioners of the Admiralty, to acquaint you that their attention has been called by representations from the mercantile communities of the principal towns in which trade is carried on with the West Indies and South America, to the defective manner in which you have conducted the packet service under your contract, with respect to the time at which the mails are to be delivered at the various ports at which your vessels touch; and my Lords have been informed that your Secretary has stated to the Committee appointed to inquire into the mail packet arrangements, that he does not consider the time-tables appended to the contract to be part of it, nor to be binding on you, as its other provisions are. To this view I am commanded by their Lordships to state, that they cannot assent; they consider that the tables of routes form part of the contract now in force, and that deviations from those tables, either in time or route, not owing to unforeseen causes or under extraordinary circumstances, are breaches of the contract, and that it will be their duty to endeavour to enforce the punctual performance of all portions of the agreement, and to exercise the powers reserved to them by its provisions in cases of deviation from the time-tables, as well as of other breaches of the contract.

I am, &c.

(Signed) R. OSBORNE.

The Chairman of the Royal Mail Steam Packet Company to the Secretary to the Admiralty.

Royal Mail Steam Packet Company,

55, Moorgate Street, June 16, 1853.

Sir,

AS Chairman of the Royal Mail Steam Packet Company, I have the honour to acknowledge the receipt of your letter of the 3rd instant, in relation to the statement made by the Company's Secretary before the Committee appointed to inquire into mail packet arrangements.

The Directors of this Company have not had before them the details of their Secretary's statement before the Committee, but they are led to believe from their communications with him, that the proposition, as conveyed by your letter, that he did not consider the time-tables appended to the contract to be part of it, nor to be binding upon the Company, is more broadly stated than he intended.

The Company consider that those tables are so far part of the contract, that they define what all parties believed to be the probable times within which the service was to be performed, and that any wilful departure from them would not be a performance of the stipulation in the contract, that the Company should diligently and faithfully, and with all possible speed, convey the mails on board the vessels as mentioned in the table of routes.

I perhaps cannot better convey to their Lordships the views and feelings of the Directors on this question than by forwarding to you the copy of a letter I had the honour to address to Lord Canning, the Chairman of the Committee, under date the 22nd April last.

I have, &c.

(Signed) A. COLVILLE, *Chairman,*

Mr. Colvile to the Postmaster-General.

*Royal Mail Steam-Packet Company, 55 Moorgate Street,
London, April 22, 1853.*

My Lord,

HER Majesty's Government having appointed your Lordship, assisted by a Commission, to investigate the subject of the contract packet-service in general, including of course the Royal Mail Steam-Packet Company, and the Court of Directors having seen it reported that several complaints respecting the performance of the West India Mail Service have been already submitted to your Lordship, without the Directors having seen the same, or having been afforded any opportunity of offering explanations respecting the allegations such documents may have contained; I deem it my duty, as Chairman of the Company, to take this method of placing under consideration of the Commissioners the following observations relative to the origin, progress, and present position of this Company.

When its contract was entered into on the 22nd of May, 1840, little experience had been obtained as to the nature of ocean steam navigation; but meeting the desire of the then Government to embrace in one combination the whole of the British possessions in the West Indies and North America, together with the colonies of France, Spain, Holland and Denmark, Mexico and the Spanish Main, the Directors, at an outlay exceeding a million, provided fourteen steam-ships of the largest and most powerful description then known, which were all surveyed by officers appointed by the Lords Commissioners of the Admiralty, approved by them, and were universally admitted to be the most efficient ocean steam-vessels at that period ever constructed. With these ships the service commenced in January 1842, and during the whole time that has since elapsed, amounting to twelve years and nearly four months, but one instance has occurred in which the packets have not been despatched from this country precisely at the moment prescribed by the Government,—or, in other words, 323 steam-ships out of 324 have been started to time with the outward Mails, not one of which has been compelled to put back into a British port after taking its departure. So effectively, also, has their condition been maintained, that but two or three cases have occurred of defects appearing in either hulls or machinery, and those were discovered and remedied without serious damage; and the boilers, in particular, have worked throughout without a single accident. In short, none of the Company's ships have ever been rejected or disapproved by the Government Surveyors; and, with exception of shipwreck, every vessel that has left England under steam, has made her round of routes under steam, and returned home under steam. The Directors believe that there is no instance on record of superior efficiency and punctuality.

A scheme showing the routes arranged to be pursued by the Company's ships, with their appointed places of meeting for the exchange of mails and passengers, extending over an area of 684,816 miles per annum, was inserted in the original contract as an estimate for the guidance of the Captains in their courses, the Postmasters in the preparation of their mails, and of passengers in arranging for their conveyance to and fro; but, although fixed penalties were provided in the Contract for stopping, lingering, deviating or delaying "except from stress of weather or other unavoidable circumstances," yet want of punctuality arising from such exceptional causes was not then, nor has ever since been, considered a breach of agreement, or liable to any description of mulct.

After a few months' trial, it became apparent that, in the anxiety to embrace too large a field of action, more had been undertaken than could be accomplished by the number of steam-vessels contracted for; and that the plan involved greater expense than could be remunerated by the Government payments, added to the receipts from passengers and freight. The Directors, in consequence, appealed to the Admiralty, who consented to a modification, by which the service was diminished to 392,976 miles per annum; thus affording, by the reduction of mileage, a relief which was conceded to other contractors in the shape of increased grants of money.

Upon this reduced scheme, therefore, with various alterations from time to time, the mails continued to be conveyed without miscarriage (otherwise than by shipwreck) until the year 1846, when, sufficient proof having been afforded that the Company had fulfilled its obligations under the modified system, the

Lords Commissioners of the Admiralty were pleased to grant an amended contract for the remainder of the term according to the arrangement then in operation. Without dwelling on the shipwrecks that occurred, and the consequent amount of capital sacrificed, I only feel it necessary to remark in passing, that those unexpected and perhaps unprecedented casualties prevented any payment of dividend to the proprietors until more than three years after the service commenced; nor have their losses in this respect been retrieved by the Company's subsequent receipts.

On the 14th of April, 1849, the Directors applied for a renewal of the Company's contract, and they also offered a tender for the conveyance of mails to Brazil, which was accepted; but considerable delay in the arrangement was created by the appointment, on the 26th of the same month, of a Select Committee of the House of Commons to inquire into the contract packet service, and all matters respecting the conveyance of the mails were necessarily suspended until such Committee had presented its Report.

When this took place, on the 27th of July, 1849, no fault was found with the performance of the Royal Mail Steam-Packet Company's undertaking; but as the Select Committee recommended that course, Her Majesty's Government, on the 27th of November, 1849, instituted a full inquiry into the Company's accounts; and it was finally decided to combine in one agreement all the arrangements for the conveyance of the West India, Mexican, Spanish Main, Brazil, and River Plate mails; such new and comprehensive contract to be for an extended term of years; affording, as the Directors conceive, the surest testimony of the good faith with which the Company was considered to have acted, in the opinion of a Select Committee of the House of Commons and of many successive Administrations of the Government; as a new and greatly-extended contract would hardly have been conceded to the Company, had it been held to have violated its original engagement, by not keeping exact time of arrival at the various ports on the other side of the Atlantic.

Although the Directors, anxious to commence the construction of a new and superior class of steam-ships, had applied to the Government for its decision as to such continuance of the contract so early as the 14th April, 1849, yet owing to the delay occasioned by the Select Committee, and the subsequent investigation instituted by the Government, the contract was not fully arranged and completed before the 5th of July, 1850. In the same month the Company entered into agreement with ship-builders and steam-engine makers in England and Scotland for the construction of five new vessels of the most approved class, to be propelled by power double what was agreed for in the Company's contract with the Government; and, including these five ships (without any stipulation being made to that effect), the Directors have purchased, built, and are building the following ships:

No.	Names.	Tonnage.	Horse Power.	
1	La Plata	2,404	1,000	} Purchased and Built.
2	Magdalena	2,943	800	
3	Orinoco	2,901	800	
4	Parana	2,943	800	
5	Amazon	2,900	800	
6	Demerara	2,900	800		} Since lost.
7	Atrato	2,720	800	} Building.
8	Tyne	1,850	400	
9	Tamar	1,850	400	
10	Solent	1,781	400	
11	Wye	750	180	
	Total	25,942	7,180	

The farther outlay occasioned by the construction of this new fleet will exceed a million, and yet the Directors are informed that, in one of the complaints transmitted to your Lordship, it is asserted, not only that the Company has broken its contract by the ships not arriving at the estimated times, but that it has taken no steps to improve its means for a more satisfactory performance of the packet-service.

Recurring to the subject of the time-tables, or estimates of arrivals and departures abroad, the Directors feel it necessary to remark that, if a want of exact punctuality were now to be held as a breach of agreement, it is the first time in twelve years that such a construction has been advanced; and yet through the whole of that period every contract Company in the kingdom has unavoidably varied in the length of its voyage according to the occurrence of storms, fractured machinery, or other disasters. In proof also that the performance of the Royal Mail Steam-Packet Company will bear comparison with any other transatlantic steam communication, I may observe that the difference between the longest and shortest voyages to and from Southampton and St. Thomas, is less in the last year than that between Liverpool and New York; so that the Royal Mail Steam-Packet Company is not singular in failing to keep its times of arrival with exactitude, in opposition to all vicissitudes of the weather.

There is, moreover, another argument applicable to the point of time being a part of the contract, and this is, that it is nowhere so expressed in the deed itself; that the time-tables have been repeatedly changed at the request of the Company, or otherwise, to adapt them closer to the actual working of the ships; and, above all, to the strict fact, that in the Tables of Routes, appended as a schedule to the existing contract, an express provision was made, under sanction of the Lords Commissioners of the Admiralty, to cover cases of anticipated irregularity, as shown in the sixth paragraph of the remarks on Table No. 1, where it is stated, that

“In the event of either of the steamers on Routes 2, 3, and 4, not reaching St. Thomas within the estimated time, the homeward No. 1 steamer is to await the arrival of the missing vessel seven clear days, if necessary, after the appointed hour for her departure on the homeward voyage.”

The time-tables of the West India packet-service were framed by the Company itself, and approved by the Lords Commissioners of the Admiralty on the 21st of February, 1852. Your Lordship will perceive that a higher rate of speed than in the previous plan, as relates to the voyages outwards and homeward, was there estimated, in the expectation that the more powerful ships in preparation would enable such accelerated speed to be obtained; but from the accidental destruction of two of those ships, and the delays of ship-builders and engine-makers, the new vessels have not yet been all brought into use, though it is fully expected that, in a few months, this will be accomplished; and the exclusive employment of larger and faster ships will then ensure a closer approximation to the times specified in the tables. In the intercolonial routes also greater certainty will assuredly be attained by the substitution of the superior vessels now in course of construction for that portion of the service.

In proof, however, that irregularities in the West India line arise principally from the unavoidable complexity of the service, I must request your Lordship to contrast that portion of the communication, with the comparative punctuality which has attended the working of the Brazil line since its establishment, where there is no such combination, and where the mails have been conveyed by the same class of ships. That this may be seen at once, I subjoin tables showing the arrivals outward at Rio Janeiro, and homeward at Southampton, for the years 1851 and 1852.

ARRIVALS at Rio de Janeiro, 1851.

Date of leaving Southampton.	Ship.	Arrival at Rio de Janeiro.			
		Due by Plan.	Arrived.	Over Time.	Be ore.
1851					
January 9,	Teviot ..	February 7, 1 p.m.	February 7, 3 p.m.	0 2	D. H. ..
February 10,	Tay ..	March 11, 1 p.m.	March 11, 8 a.m.	..	0 5
March 10,	Medway ..	April 8, 1 p.m.	April 6, 6 p.m.	..	1 19
April 9,	Teviot ..	May 8, 1 p.m.	May 9, 11 a.m.	0 22	..
May 9,	Tay ..	June 7, 1 p.m.	June 8, 1 a.m.	0 12	..
June 9,	Severn ..	July 8, 11 p.m.	July 8, 11 p.m.	..	..
July 9,	Teviot ..	August 7, 11 p.m.	August 7, 8 a.m.	..	0 15
August 9,	Tay ..	September 7, 11 p.m.	September 8, 1 p.m.	0 14	..
September 9,	Severn ..	October 8, 11 p.m.	October 7, 2 p.m.	..	1 9
October 9,	Teviot ..	November 7, 11 p.m.	November 6, 5 p.m.	..	1 6
November 10,	Tay ..	December 9, 11 p.m.	December 9, 7 a.m.	..	0 16
December 9,	Severn ..	January 7, 11 p.m.	January 4, 6 p.m.	..	3 5

ARRIVALS at Rio de Janeiro, 1852.

Date of leaving Southampton.	Ship.	Arrival at Rio de Janeiro.			
		Due by Plan.	Arrived.	Over Time.	Before.
1852					
January 9,	Teviot ..	February 7, 11 p.m.	February 10, 7 a.m.	2 8	D. H. ..
February 9,	Tay ..	March 9, 11 p.m.	March 10, 8 a.m.	0 9	..
March 9,	Severn ..	April 7, 11 p.m.	April 6, 6 a.m.	..	1 17
April 9,	Teviot ..	May 8, 11 p.m.	May 9, noon	0 13	..
May 10,	Tay ..	June 8, 11 p.m.	June 11, 9 a.m.	2 10	..
June 9,	Severn ..	July 8, 11 p.m.	July 9, 7 a.m.	0 8	..
July 9,	Teviot ..	August 7, 11 p.m.	August 6, 4 p.m.	..	1 7
August 9,	Tay ..	September 7, 11 p.m.	September 9, 7 a.m.	1 8	..
September 9,	Severn ..	October 8, 11 p.m.	October 9, 7 a.m.	0 8	..
October 9,	Teviot ..	November 7, 11 p.m.	November 7, 2 p.m.	..	0 9
November 9,	Tay ..	December 8, 11 p.m.	December 11, 6 a.m.	2 7	..
December 9,	Severn ..	January 7, 11 p.m.	January 8, 5 p.m.	0 18	..

ARRIVALS at Southampton from Rio de Janeiro.

1851.					1852.				
Ship.	Arrival				Ship.	Arrival.			
	Plan.	Actual.	Over.	Before.		Plan.	Actual.	Over.	Before.
			D. H.	D. H.				D. H.	D. H.
Teviot	March 13, 10 a.m.	March 14, 9 a.m.	0 23	..	Tay	January 16, 4 p.m.	January 15, noon	..	1 4
Tay	April 14, 10 a.m.	April 14, midnight	0 14	..	Severn	February 14, 4 p.m.	February 15, 11 a.m.	0 19	..
Medway	May 12, 10 a.m.	May 14, 8 p.m.	2 10	..	Teviot	March 16, 4 p.m.	March 13, 1 p.m.	..	3 3
Teviot	June 11, 10 a.m.	June 8, 9 a.m.	..	3 1	Tay	April 16, 4 p.m.	April 15, 5 p.m.	..	0 23
Tay	July 11, 10 a.m.	July 11, 11 a.m.	0 1	..	Severn	May 15, 4 p.m.	May 14, 10 a.m.	..	1 6
Severn	August 11, 10 a.m.	August 12, 9 a.m.	0 23	..	Teviot	June 15, 4 p.m.	June 14, 11 a.m.	..	1 5
Teviot	September 14, 4 p.m.	September 10, 7 a.m.	..	4 9	Tay	July 16, 4 p.m.	July 15, 9 p.m.	..	0 19
Tay	October 15, 4 p.m.	October 14, 10 a.m.	..	1 6	Severn	August 15, 4 p.m.	August 12, 11 a.m.	..	3 5
Severn	November 15, 4 p.m.	November 13, noon	..	2 4	Teviot	September 14, 4 p.m.	September 11, noon.	..	3 4
Teviot	December 15, 4 p.m.	December 11, 7 a.m.	..	4 9	Tay	October 15, 4 p.m.	October 15, 1 p.m.	..	0 3
					Severn	November 15, 4 p.m.	November 13, 2 p.m.	..	2 2
					Teviot	December 15, 4 p.m.	December 13, noon.	..	2 4

By these Tables it will be clearly seen that in May 1851, the "Teviot" arrived out at Rio de Janeiro 22 hours behind time; and in November of the same year 1 day 6 hours before time; showing a difference of 2 days 4 hours made by the same ship on the same description of voyage; and reviewing the whole of the Tables out and home, they give the following results:—

IN 24 OUTWARD VOYAGES.

Behind time	...	...	...	13 Voyages.
Before time	..	...	...	10 "
To exact time	...	...	...	1 "

IN 22 HOMEWARD VOYAGES.

Behind time	...	...	...	6 Voyages.
Before time	...	..	...	16 "

TOTAL OUT AND HOME.

Behind time	...	...	...	19 Voyages.
Before time	...	...	...	26 "
To exact time	...	...	...	1 "
Total	...	...	...	46 "

Showing that the estimate of time could scarcely have been more accurately struck; and yet out of 46 voyages, there is but one instance of the time being exactly kept; proving the impossibility of accomplishing precise punctuality, even in the best regulated steam voyages, performed with the most efficiently appointed ships.

Respecting the continual reference made, both in Parliament and out, to what is thought a high rate of payment for the performance of the Company's service, I must observe that when it was renewed in 1850, the addition of 153,864 miles of steam communication to the 393,432 miles previously contracted for, with the addition of only 30,000*l.* to the compensation granted by the Government, reduced the rate of pay from 12*s.* 2*d.* to 9*s.* 10*d.* per mile; whilst the allowance to the Liverpool and New York line is 11*s.* 2½*d.* per mile, and, according to a paper laid before Congress, the American Government allows to its line of steamers between New York and Liverpool a subsidy of 23*s.* 9*d.* per mile; so, that of all the transatlantic communications, that of the Royal Mail Steam Packet Company is the least remunerated.

Having thus shown that the Company has always maintained the number and description of ships required: that none of them have ever been objected to by the Government surveyors; that they have been sent out from England with unprecedented regularity; that (with exception of shipwreck) they have all performed their appointed routes, and returned home under steam, that no serious accident has ever occurred to their steam engines, and none whatever to their boilers; that, with the exception already noticed, no mail has ever miscarried; that want of perfect exactness in the times of arrival and departure abroad is inevitable, and constitutes no breach of contract; that such must have been the impression upon the Select Committee of the House of Commons and of the Government is evinced by the absence of any remark to the contrary, and by the Company having been granted a continuance and enlargement of its contract without reference being made to any supposed violation of the agreement; that the Company were only prevented from building more powerful ships earlier by being kept in uncertainty as to the renewal of its contract; that immediately the decision upon this question was known, the keels of a new fleet were laid down; that the amount of steam power now working or constructing, doubles what is stipulated in the contract; that the Brazil portion of the contract has worked with great punctuality, thereby proving that the irregular arrivals and departures in the West Indies arise chiefly from the complexity of the service, and that there is a clause in the remarks upon Route Table No. 1,

inserted expressly to cover all such unavoidable irregularities ; that the Company has never incurred but one penalty, which was strictly exacted; and, finally, that the annual payment granted by the Government is less than what is allowed to any other transatlantic steam communication; I feel reliance that your Lordship and Her Majesty's Government will continue to the Company that confidence and support which it has hitherto enjoyed.

I have, &c.
(Signed) A. COLVILLE, *Chairman.*

REPORT of the Committee on Contract Markets.
With Appendices

*Presented to both Houses of Parliament by Com-
mand of Her Majesty. 1853.*

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