

My Lords confine themselves at present to this general view of the contemplated arrangements in which they can hardly doubt the acquiescence of the Colonies. But no time will be lost in finally settling the various details of the new Service, all of which will be notified to you, in order that they may be forwarded to the Colonial Governments.

With regard to the question of establishing a second monthly Service, and the advisability of adopting the Panama Route as the alternative line, my Lords are carefully considering this question in order to see how the wishes and interests of the Colonies may best be met.

It would be an essential condition of the adoption of this line, that it should so far coincide in point of time with the Service *viâ* Suez, as to make the two work entirely in harmony.

In the meantime, my Lords have intimated to the public their intention of calling for Tenders for the Panama Route as soon as the necessary arrangements have been completed.

I am, &c.,

(Signed) C. E. TREVELYAN.

II. Merivale, Esq.,
&c., &c., &c.

COPY OF A CIRCULAR DESPATCH FROM THE RIGHT HON. SIR E. B. LYTTON, BART., TO
GOVERNOR GORE BROWNE, C.B.

Downing-Street,
16th November, 1858.

SIR,—

I transmit to you for your information and guidance, so far as relates to the Colony under your Government, a copy of a Despatch, which has been this day addressed to the Governor of New South Wales, with a correspondence with the Treasury, relative to the arrangements which have already been made, and to those still in contemplation, for the conveyance of the Mails between this Country and Australia.

I have, &c.,

(Signed) E. B. LYTTON.

Governor Gore Browne, C.B.,
&c., &c., &c.
New Zealand.

Col. Off.
6th Nov. 1858.
N.S. Wales Gov.
No. 115.
18th Aug., 1858.
Col. Off. to Gov.
No. 40,
9th Nov., 1858.
Col. Off. to Treas.
9th Nov., 1858.
Treas. to Col. Off.
15th Nov., 1858.
Do, Do.
16th Nov., 1858.

SIR E. B. LYTTON, TO SIR W. DENISON.

Downing-Street,
16th November, 1858.

(Enclosure.)

SIR,—

With reference to your Despatch, No. 115, of the 10th August last, and to my reply of the 9th instant, I transmit to you a copy of a Letter from the Treasury, written especially with reference to that Despatch, but bearing upon the whole question of the Contracts for the performance of the Australian Mail Service, both by Suez and by Panama. You will perceive that the Lords Commissioners of the Treasury have decided to abstain from entering upon any further arrangements, and especially with reference to the establishment of a second Line *viâ* Panama, until Her Majesty's Government shall have been informed distinctly, of the feelings of the different Colonies, as to the practicability, and eligibility of that route, for the performance of a Service, alternating and harmonizing with that *viâ* Suez, and until they shall also have received a distinct statement of the amount which each Colony would be willing to contribute in aid thereof, and for what period.

I also enclose a further Letter from the Treasury in connection with the subject of the Contract recently entered into, and I have to request that you will attend to their Lordships' wishes on certain points of detail as expressed in that Letter and in their Lordships' Minute.

I have, &c.,

(Signed) E. B. LYTTON,

Governor Sir William Denison,
&c., &c., &c.,
New South Wales.