

the boat or boats so employed to be within the provisions of the general contract. The Government will be prepared to facilitate the completion of any such arrangement by all means in their power.

Considering the urgent necessity which exists for the adoption of the new route without delay, I beg to request that you will cause the Mail-boat to leave Sydney for Auckland according to the Time Table annexed, on the 17th April proximo; and the Inter-Provincial boat to follow the Time Table appointed for her sailing from the 20th of the same month. I trust that your arrangements will not be seriously affected thereby. The change in the rate of subsidy will commence from the first of the following month, namely, May.

I proceed now to reply to your enquiries, in the order in which you put them:—

1. The Government of New Zealand cannot forego, either for themselves or for the Imperial Government, the privilege secured to them under contract, of altering within certain limits the route and times of the Mail Service as may seem best for the public service. But I may remark, that it cannot be for the interest of the public or of the Government that changes should be frequently or capriciously made.

2. This question has been mainly answered above.

3. I am ready to undertake that as soon as the Government feel assured that the Company are so performing their contract that its continuance will be beneficial to the Colony, they will be prepared to recommend to the General Assembly and to the Imperial Government an extension of time.

4. It is part of the intention of the Government, as soon as the Company are prepared with vessels to carry on two extra Inter-Provincial lines, to employ such vessels at a rate proportionate to their size and convenience; but in order to enable the Government to carry out this intention with due regard to the interests of others, it will be necessary that at least six months' notice of the vessel's arrival should be given, and that the Company should undertake under penalty to have any such vessel ready to begin the service on a fixed day at the end of six months.

5, 6. The Government will gladly take any means which may be in their power to facilitate arrangements between the Company and any Provincial Government, and particularly in the points referred to.

7. It will be seen by the Time Table that the double trip of each boat employed is comprised within thirty days. The Company are required by their contract to keep one steamer in reserve.

I have, &c.,

CROSBIE WARD.

J. Vine Hall, Esq.,
Manager I.R.M. Company.

Enclosure 3 in No. 5.

CAPTAIN VINE HALL TO POSTMASTER-GENERAL, NEW ZEALAND.

Inter-Colonial R.M.Co.'s S. Office,

Sydney, March 20th, 1862.

SIR,—

I have the honor to acknowledge receipt of your letter of yesterday's date, containing the outlines of the newly arranged Mail service, and the Time Tables 1 and 2, which I adopt and am prepared to carry out on the part of the Inter-Colonial Royal Mail Company, but without prejudice to the original contract, and subject to the approval of, and confirmation by, the Board of Directors in London.

I have also Time Table No. 3, from Sydney to Nelson and Wellington and back, which line I shall commence as soon as possible, most probably next month. But this service being of an exceptional and supplemental character, I can only accept conditionally, viz. :—

1. With the reservation that, in case the Provincial Governments of Nelson and Wellington do not contribute a fair quota towards the maintenance of the service, I may, on giving notice to the Government, withdraw the vessel, without incurring any penalty, and place her at the disposal of the Government for the general service.

2. That the said steamer being placed on this line, the penalties for not being ready to sail at the appointed times, &c., be only in proportion to the subsidy received, which, at the rate of £2,000 per annum (the sum to be paid by the General Government), would be about one-seventh that of the Company's original mileage per contract.

I beg to notify that the Company will have a new vessel ready for service by August next.

I have, &c.,

The Hon. the Postmaster-General,
New Zealand.

JOHN VINE HALL,
General Manager I. C. R. M. Co.

No. 6.

CAPTAIN VINE HALL TO POSTMASTER-GENERAL, NEW ZEALAND.

Inter-Colonial Royal Mail Company,

Sydney and New Zealand,

May 15th, 1862.

SIR,—

The mail steamer Lord Ashley leaves to-day at noon, and as she was thrown behind by the previous English mail, we have close work to get her off to time.