

possible, and he has met with every assistance from the Board of Trade, and their Architects, Messrs. McClean and Stileman.

It is most probable that a Contract will be entered into with Messrs. Wilkins and Co. to supply Lights, Materials, to erect the Towers, and hand the Light-houses over complete in every respect to the Chief Marine Board.

The best positions for the different Lights is a subject that has occupied the attention of the Chief Marine Board. For the first Light-house in Foveaux Straits, there seems to be no doubt that Dog Island is the proper site. A Light there will be of the greatest advantage to vessels entering and leaving the Bluff Harbour at night. The South Head of Port Chalmers, Cape Saunders, seems to be generally recognised as the proper site for a Light for that harbour, and Godley Head at Lyttelton. About the best site for a Light in Cook's Straits there is some difference of opinion. Many sites have been spoken of, but of them all Mana and the Brothers appear to be the best; and of these two, the balance of advantages seems to be in favour of Mana.

To erect a Light-house at the Brothers would be a very expensive undertaking in the first instance, and its subsequent maintenance would involve a very considerable annual cost. A Light-house at Cape Stephens would be of little or no advantage to a vessel entering the Straits from the South-east, whilst the advantage of a Light on Mana, in the opinions of Captain Kennedy, of the "Airedale," and Captain Johnson, the Inspector of Steamers, and others competent to judge from long practical experience of the Navigation of the Straits, will be felt where a Light is most required, and will on the whole afford the greatest benefit that a single Light can give to vessels passing through. A small Light at the entrance of Tory Channel is very requisite. Tiri-tiri-matangi seems quite the best position for a Light-house to guide vessels in entering the Auckland Harbour, whether they approach from the North or East.

When these Lights are all burning the Chief Marine Board will be able to impose Light Dues on vessels entering every Port in the Colony, from which a revenue of about £7,000 a year will be derived.

MISCELLANEOUS.

This year the sum of £24,000, payable to the Inter-colonial Company, on account of the Sydney and New Zealand, and the Inter-provincial Services, was reduced, in accordance with the terms of the Contract, to £13,000 and £9,000 respectively. The saving of £2,000 being shared equally between the Imperial and Colonial Governments, with the consent of each.

During Mr. Ward's visit to England, some outstanding matters of dispute between the English and New Zealand Governments were definitely settled. New Zealand is to contribute to the Main Line in a ratio compounded in the proportion of its correspondence, and its mileage distance from Ceylon.

The Imperial demand of 4d., out of every 6d. received per half ounce on Letters posted in New Zealand for the Australian Colonies, has been commuted by a fixed payment of £300 a-year by this Colony.

New Zealand is to pay its proportionate contribution to the cost of the Main Line, prior to the establishment of a Branch Line from Australia.

These questions, together with their bearing upon New Zealand interests, have been fully discussed; and as all correspondence relating to them has been published with former reports, it is unnecessary here to do more than state results. If there is no other satisfaction to be found in these arrangements, there is this at least: that a settlement has at last been made, and these questions will give no further trouble.

I think that no other settlement than the one made was possible with the Imperial authorities, and that the commuted payment of £300 a-year is not unfavourable to this Colony.

READER WOOD.

General Post-office, Auckland, September, 1863.