

No. 89.

General Post Office,
Auckland, 16th June, 1864.

SIR,—

I have the honor to acknowledge the receipt of your letter, dated 2nd June, 1864, addressed to the Honorable the Colonial Secretary, respecting the printing of the correspondence on the Panama Contract.

I am directed to inform you that Government propose to print some additional papers on this subject, when the corrections which you desire to be made in the correspondence already printed will be attended to; and I am to request you to be good enough to point out any other mistakes which you wish corrected.

I have, &c.,

G. ELIOTT ELIOTT,
Secretary.Crosbie Ward, Esquire, M.G.A.,
Christchurch.

No. 90.

Westminster Palace Hotel, London, June 19th, 1864.

SIR,—

I have the honor to acknowledge the receipt of your letter of the 7th April, on the subject of the Panama Contract. I at once waited upon the Secretary of the Company and communicated to him the contents of your letter and its enclosure, I also furnished him with a copy of both documents for the information of the Directors.

The Secretary asked me whether I thought the Government would assent to any such modification of the Contract as it would be in the power of the Company to propose. I replied that I was sure the Government of New Zealand would agree to no proposal of which the extension of the old Coleman contract formed a part, but if that were abandoned I thought it possible an arrangement might be made which would receive the support of the Government in the New Zealand Parliament.

He said the extension in question was a most material part of the Contract, that the subsidy for the Panama route would be quite insufficient to meet its cost, and the reason why they stipulated for the extension was that the loss on the one service might be made up by the gain on the other.

I see, by the *Times* this morning, the Directors appear to have determined to refer the matter again to the New Zealand Government.

I have, &c.,

READER WOOD.

The Hon. the Postmaster-General, Auckland.

No. 91.

Panama, New Zealand, and Australian Royal Mail Company, Limited,
Offices, 41, Moorgate Street, London, E.C., June 21st, 1864.

DEAR SIR,—

Referring to our conversation this morning, permit me to ask, for the guidance of the Board in replying to Mr. Fox's letter and memorandum, whether you are of opinion that in the event of the Company agreeing to the proposed modifications, the New Zealand Government would be willing to raise the subsidy for the Panama Service from £76,000 to £100,000 per annum, and whether you would be prepared to recommend the acceptance of such a proposal.

If the Service is so arranged that the course of post between Sydney and England is brought within four months, the speed of the vessels performing it would have to be at least 10 knots an hour, instead of $8\frac{1}{2}$, as per the December contract, and the expenses of working the line would be greatly increased. Such being the case, and seeing that the Company in waiving the arrangement respecting the inter-provincial services, and the claim to a preference as regards other lines, would be giving up nearly all the advantages of the recent contract, an addition of £24,000 per annum for the through service, would certainly not be any too much.

Requesting the favour of a reply by Thursday afternoon,

I remain, &c.,

JAMES WORLEY.

The Hon. Reader Wood, Esq.

No. 92.

Westminster Palace Hotel, June 22nd, 1864.

DEAR SIR,—

In reply to your note of yesterday's date, I can only say now what I have already stated to you verbally, that I feel sure the New Zealand Government will not propose to the