

# CORRESPONDENCE

RELATIVE TO

# THE MAIL SERVICE

OF

# NEW ZEALAND.

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PRESENTED TO BOTH HOUSES OF THE GENERAL ASSEMBLY BY COMMAND OF  
HIS EXCELLENCY.

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AUCKLAND.

1864.



# SCHEDULE OF PAPERS.

D.—No. 12.

## CORRESPONDENCE RESPECTING CLAIMS OF IMPERIAL GOVERNMENT ON POSTAL ACCOUNT.

No.	DATE.	WRITER AND SUBJECT OF PAPER.
1.	24th June, 1863.	Secretary of State to the Governor, with enclosures.
2.	3rd October, 1863.	Memorandum by Secretary of General Post Office.
3.	20th March, 1864.	Secretary of State to the Governor with enclosures.
4.	9th June, 1864.	Memorandum by Secretary of General Post Office.
5.	23rd July, 1864.	The Governor to the Secretary of State.
6.	4th August, 1864.	Postmaster General to Secretary of State.

## CORRESPONDENCE RESPECTING PROPOSED INCREASE OF POSTAGE ON LETTERS TO AND FROM GREAT BRITAIN.

7.	26th January, 1864.	Secretary of State to the Governor, with enclosures.
8.	3rd August, 1864.	The Governor to Secretary of State, with enclosure in reply.
9.	18th June, 1864.	Secretary of Imperial Post Office to Postmaster General.
10.	25th August, 1864.	Secretary of General Post Office to Secretary of Imperial Post Office, in reply.
11.	19th July, 1864.	Secretary of Imperial Post Office to Postmaster General.
12.	30th September, 1864.	Secretary of General Post Office to Secretary of Imperial Post Office, in reply.

## CORRESPONDENCE RESPECTING SYDNEY AND COOK'S STRAITS' BOAT CEASING TO RUN TO OTAGO.

13.	5th April, 1864.	Postmaster General to Manager of I.C.R.M. Company.
14.	20th April, 1864.	Manager of I.C.R.M. Company to Postmaster General, in reply.
15.	3rd May, 1864.	Postmaster General to Manager of I.C.R.M. Company.
16.	13th May, 1864.	Messrs. Lawson and Hall to Postmaster General, in reply.
17.	15th June, 1864.	Messrs. Lawson and Hall to Postmaster General.
18.	12th July, 1864.	Postmaster General in reply.
19.	23rd July, 1864.	H. Lawson to Postmaster General.
20.	26th July, 1864.	Chairman of I. C. R. M. Company to Postmaster General, with enclosures.
21.	28th July, 1864.	Postmaster General to Chairman of I. C. R. M. Company, in reply.

## NOTICE TERMINATING CONTRACT WITH MESSRS. MCMECHAN AND BLACKWOOD.

22.	18th June, 1864.	Postmaster General to Messrs. McMechan and Blackwood.
23.		Contract

## NOTICE TERMINATING CONTRACT WITH I.C.R.M. COMPANY.

24.	30th September, 1864.	The Governor to Intercolonial Royal Mail Company.
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## CORRESPONDENCE RESPECTING ESTABLISHING A STEAM SERVICE BETWEEN VICTORIA AND NORTH ISLAND.

25.	30th June, 1864.	Chairman of Chamber of Commerce, Auckland, to Postmaster General, with enclosure.
26.	4th July, 1864.	Secretary General Post Office to Chairman in reply.
27.	20th August, 1864.	Secretary of Chamber of Commerce to Secretary of General Post Office.
28.	26th September, 1864.	Chief Secretary of Victoria to Colonial Secretary, New Zealand.
29.	14th November, 1864.	Postmaster General, New Zealand, to Chief Secretary of Victoria, in reply.

## CORRESPONDENCE RESPECTING ESTABLISHING A STEAM SERVICE BETWEEN VICTORIA AND SOUTHERN PORTS, VIA COOK'S STRAITS.

30.	22nd June, 1864.	Superintendent of Nelson to Colonial Secretary.
31.	2nd July, 1864.	Colonial Secretary to Superintendent of Nelson, in reply.
32.	12th September, 1864.	Superintendent of Nelson to Colonial Secretary, with enclosure.
33.	17th September, 1864.	Colonial Secretary to Superintendent of Nelson, in reply.

## CORRESPONDENCE RESPECTING A STEAM SERVICE FROM SINGAPORE TO SYDNEY, VIA TORRES' STRAITS.

34.	12th September, 1864.	Colonial Secretary of Queensland to Colonial Secretary of New Zealand.
35.	30th September, 1864.	Colonial Secretary of New Zealand to Colonial Secretary of Queensland, in reply.

## CONTRACTS FOR INTER-PROVINCIAL SERVICES.

36.	_____	Contract with Intercolonial Royal Mail Company.
37.	_____	Contract with New Zealand Steam Navigation Company.



# CORRESPONDENCE RELATIVE TO MAIL SERVICE OF NEW ZEALAND.

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## CORRESPONDENCE RESPECTING OUTSTANDING CLAIMS OF THE IMPERIAL GOVERNMENT ON POSTAL ACCOUNT.

No. 1.

Downing Street,  
24th June, 1863.

SIR,—

I have the honour to transmit to you the copy of a letter, with its enclosures, from the Secretary to the Board of Treasury relative to the amounts which will be payable by the Australian Colonies and New Zealand on account of the Mail Packet Service, for the year from the 1st of January to the 31st December, 1863.

I request that you will lay this despatch before your Responsible Advisers, with a view of obtaining at the proper period a settlement of the claim against the Colony under your Government.

I have, &c., &c.,  
NEWCASTLE.

Governor Sir George Grey, K.C.B.  
&c., &c., &c.

Enclosure 1 to No. 1.

MR. PEEL TO SIR F. ROGERS.

SIR,—

Treasury Chambers, 23rd May, 1863.

I am directed by the Lords Commissioners of Her Majesty's Treasury to transmit herewith, copy of a letter from the Postmaster-General, dated 11th instant, together with copy of its enclosures relative to the amounts which will be payable by the Australian Colonies and New Zealand, for the year from the 1st of January to the 31st of December, 1863, in aid of the cost of the Packet Service: and I am to request that you will move the Duke of Newcastle to cause the necessary communications to be made to the Governments of the several Australian Colonies, and of New Zealand, with a view of obtaining a prompt settlement of these claims.

I am, &c.,  
F. PEEL.

Sir F. Rogers, Bart.,  
&c., &c.

Enclosure 2 to No. 1.

My Lords,

General Post Office, 14th May, 1863.

I have the honour to enclose a copy of a report from the Receiver and Accountant-General of the Post Office, accompanied by an account of the sums which will be payable, under the terms of your Lordships' Minute of the 25th April, 1861, by each of the Colonies in Australia and New Zealand, for the year from the 1st of January to the 31st December, 1863, in aid of the Packet Service.

I request that your Lordships will be good enough to cause these particulars to be communicated to the Governments of the several Colonies, with a view to their taking steps for remitting the amounts due, in each case, previous to the 31st December next.

I have, &c.,  
STANLEY OF ALDERLEY.

The Lords Commissioners of the Treasury.

### Enclosure 3 to No. 1.

Copy of a report from the Receiver and Accountant-General of the General Post Office, London, dated the 5th May, 1863.

1. I beg to render an account of the sums due from the Australian Colonies and New Zealand in aid of the cost of the Packet Service to 31st December next. The account is in continuation of that which I rendered on 19th August, 1861, and which ran to 31st December last.

2. Tables A and B show the sums chargeable on each of the Australian Colonies and New Zealand in the years 1862 and 1863, respectively, for a proportion of the cost of the service between Southampton and Port de Galle. The total sum chargeable for each year is £15,058.

3. In dividing this charge for the year 1862, I have used the data (as to proportion of correspondence) which were employed in raising the other charges against each Colony for the years 1860, 1861, and 1862, but for the purpose of raising and dividing this and other charges for the year 1863, I have in obedience to the Treasury Minute of 15th November, 1858, prepared a fresh estimate of the proportions of correspondence, which fresh estimate will continue to be employed for similar purposes until the close of the year 1865.

4. In table C, the charge for the year 1863, on account of the service between Point de Galle and King George's Sound, viz., £42,223 19s. 7d., is divided (upon the fresh estimate of correspondence) between all the Australian Colonies and New Zealand.

In Table D, the charge on account of the service between King George's Sound and Melbourne, viz., £17,572 0s. 6d., is divided between Victoria, New South Wales, New Zealand, Tasmania, and Queensland.

In Table E, the charge for the service between Melbourne and Sydney, viz., £7,539 19s. 11d., is divided between New South Wales, New Zealand, and Queensland.

These three charges, viz. £42,223 19s. 7d., £17,572 0s. 6d., and £7,539 19s. 11d., make up £67,336 which is a moiety of the cost of the Packet Service between Point de Galle and Sydney.

5. In tables F and G, the charge for the cost of mail boxes and the charge for Egyptian transit rate are divided between all the Australian Colonies and New Zealand.

The charge for mail boxes is a moiety of the cost of those boxes, and the charge for Egyptian transit rate is, as the Secretary will remember, in accordance with the Treasury Instructions of the 12th October, 1860, in Packet Minute, 1,166 L.

6. Table H is an account of the sums to be allowed to each of the Australian Colonies and New Zealand in consideration of overcharges in previous accounts.

7. In Table I is charged against the Colonies a moiety of the sum awarded to the Royal Mail Steam Packet Company by the recent decision of the Court of Queen's Bench, with interest and costs.

The division is made on the principle and on the data employed in raising the charge on the Colonies in the account rendered for the years 1857-1859, at which time it will be remembered that the expenses were divided between the Colonies in proportion to the number of letters, irrespective of distance.

8. Table K is an abstract of all the preceding tables and gives the total of the charges raised on each Colony in Tables A to G, and Table I, the allowances to each Colony on account of overcharged, specified in table H, and the net result or difference between the charges on, and allowances to, each Colony.

9. In Table L the charges raised against each Colony in previous accounts, extending from 1st January, 1857, to 31st December, 1862, and in the account now rendered up to 31st December, 1863, are recapitulated and aggregated; credit is given to each Colony for the remittances made by it up to the present time, and for any counter-claims which have been allowed; and the net balance payable by each Colony before 31st December next is shown.

10. I think the account is very satisfactory. The total sum to be paid by all the Colonies before 31st December next is £241,056 18s. 3d., and the charges raised in the account now submitted make up £109,939 12s. 3d., so that the amount standing over from previous accounts is only £13,117 6s., whereas, when the last account was rendered by me in 1861, the Colonies were in arrear to the extent of nearly £400,000.

11. It will be observed that New South Wales, South Australia, and Queensland have cleared off all the charges raised against them in previous accounts, but that Victoria, Tasmania, New Zealand, and Western Australia are still in arrear in those accounts.

The arrear due from Victoria on those accounts amounts to nearly £100,000, the arrear due from New Zealand is about £20,000, and the arrear due from Tasmania is about £12,000. The arrear due from Western Australia is inconsiderable.

# NEW ZEALAND MAIL SERVICE.

D.—No. 1B.

## A. Amount Chargeable on Australian Colonies and New Zealand for proportion of Packet Service between Southampton and Point de Galle, year ended 31st December, 1862, £15,058.

COLONIES.	No of Letters in 1860.	Percentage for each Colony.	Amount Chargeable for Year to 31st Dec. 1862.
			£ s. d.
Victoria ... ..	1,257,400	54,622	8,224 19 7
New South Wales ... ..	438,600	19,053	2,869 0 1
South Australia ... ..	178,800	7,745	1,166 4 10
New Zealand ... ..	266,700	11,586	1,744 12 5
Tasmania ... ..	93,400	4,058	611 1 1
Queensland ... ..	39,100	1,698	255 13 8
Western Australia ... ..	28,500	1,238	186 8 4
	2,302,000	100,000	15,058 0 0

## B. Amount Chargeable for above Service, year ending 31st December, 1863.

COLONIES.	Estimated No. of Letters in 1863.	Percentage for each Colony.	Amount Chargeable for Year to 31st Dec. 1863.
			£ s. d.
Victoria ... ..	1,270,400	49,323	7,427 1 2
New South Wales ... ..	459,900	17,855	2,688 12 2
South Australia ... ..	209,400	8,130	1,224 4 3
New Zealand ... ..	420,200	16,314	2,456 11 3
Tasmania ... ..	103,200	4,006	603 4 6
Queensland ... ..	79,700	3,094	465 17 10
Western Australia ... ..	32,900	1,278	192 8 10
	2,575,700	100,000	15,058 0 0

## C. Amount Chargeable on Account of Service between Point de Galle and King George's Sound, year to 31st December, 1863.

			£ s. d.
Victoria ... ..	1,270,400	49,323	20,826 2 10
New South Wales ... ..	459,900	17,855	7,539 1 9
South Australia ... ..	209,400	8,130	3,432 16 1
New Zealand ... ..	420,200	16,314	6,888 8 5
Tasmania ... ..	103,200	4,006	1,691 9 10
Queensland ... ..	79,700	3,094	1,306 8 3
Western Australia ... ..	32,900	1,278	539 12 5
	2,575,700	100,000	42,223 19 7

## D. Amount Chargeable on Account of Service between King George's Sound and Melbourne.

			£ s. d.
Victoria ... ..	1,270,400	51,414	9,566 18 3
New South Wales ... ..	459,900	19,709	3,163 5 4
New Zealand ... ..	420,200	16,008	3,164 7 5
Tasmania ... ..	103,200	4,123	777 4 2
Queensland ... ..	79,700	3,416	600 2 5
	2,333,400	100,000	17,572 0 6

## E. Amount Chargeable on Account of the Service between Melbourne and Sydney.

			£ s. d.
New South Wales ... ..	459,900	17,916	3,412 17 3
New Zealand ... ..	420,200	13,749	3,301 0 3
Queensland ... ..	79,700	8,204	626 2 5
	959,800	100,000	7,539 19 11

# PAPERS RELATING TO THE

D.—No. 17. F. Amount Chargeable on Account of Moiety of the Cost of Mail Boxes.

COLONIES.				Estimated No. of Letters in 1863.	Percentage for each Colony.	Amount Chargeable for Year to 31st Dec. 1863.		
						£	s.	d.
Victoria	...	...	...	1,270,400	49.8.3	616	10	9
New South Wales	...	...	...	459,900	17.8.55	223	3	9
South Australia	...	...	...	209,400	8.1.30	101	12	6
New Zealand	...	...	...	420,200	16.3.14	203	18	6
Tasmania	...	...	...	103,200	4.0.6	50	1	6
Queensland	...	...	...	79,700	3.0.94	38	13	6
Western Australia	...	...	...	32,900	1.2.78	15	19	6
				2,575,700	100,000	1,250	0	0

G. Amount Chargeable on Account of Egyptian Transit Rate on Newspapers sent *via* Southampton.

COLONIES.				Estimated No. of Newspapers in 1863, <i>via</i> Southampton.	Percentage for each Colony.	Amount Chargeable for Year to 31st Dec. 1863.		
						£	s.	d.
Victoria	...	...	...	781,800	43.9.54	1,428	10	1
New South Wales	...	...	...	282,700	15.8.91	516	9	2
South Australia	...	...	...	153,400	8.6.19	280	2	4
New Zealand	...	...	...	367,800	20.6.79	672	1	4
Tasmania	...	...	...	109,000	6.1.29	199	3	10
Queensland	...	...	...	55,200	3.1.04	100	17	8
Western Australia	...	...	...	28,800	1.6.24	52	15	7
				1,778,700	100,000	3,250	0	0

H. Statement of Amounts overcharged in the first Account prepared in this Office, to be credited to the Colonies in the present Account.

COLONIES.	Post Office Statement.						Corrected Statement.						Amounts overcharged in Post Office Account.											
	From 1st Oct. 1858, to 28th Feb. 1859, 5 months Royal Mail Steam Packet Company's Contract.			Guarantee from 1st July, 1858, to 28th Feb. 1859.			Total.	From 1st Oct. 1858, to middle of Feb. 1859, Royal Mail Steam Packet Company's Contract, 1½ months.			Guarantee from 1st July, 1858, to middle of Feb. 1859, 7½ months.			From 12th to 28th Feb. 1859, at Peninsular and Oriental Steam Packet Company's Contract, £180,000.	Total.									
	£	s.	d.	£	s.	d.		£	s.	d.	£	s.				d.	£	s.	d.					
Victoria.....	22,482	10	3	11,000	0	0	36,482	10	3	20,234	5	3	13,125	0	0	2,445	3	11	35,804	9	2	678	1	1
New South Wales	8,773	4	10	5,463	2	0	14,236	6	10	7,895	18	3	5,121	13	1	954	3	6	13,971	14	10	234	12	0
South Australia...	2,800	8	9	1,743	16	8	4,544	5	5	2,520	7	11	1,634	16	11	304	11	6	4,459	16	4	84	9	1
New Zealand.....	2,194	11	3	1,336	11	0	3,531	2	3	1,975	2	1	1,281	2	10	238	13	8	3,494	18	7	66	3	8
Tasmania .....	1,941	6	11	1,298	17	4	3,150	4	3	1,747	4	3	1,133	6	3	211	2	7	3,091	13	1	58	11	2
Western Australia	349	11	4	217	13	0	567	4	4	314	12	3	204	0	11	38	0	5	556	13	7	10	10	9
	38,541	13	4	24,660	0	0	62,541	13	4	31,687	10	0	22,500	0	0	4,191	15	7	61,379	5	7	1,162	7	9

I. Amount Chargeable on each of the Colonies for Moiety of Balance of Subsidy due to the Royal Mail Steam Packet Company for Conveyance of Australia Mails between 1st July and 4th May, 1859, together with interest at 4 per cent. per annum from 25th November, 1859, to date of Payment and Costs of suit.

COLONIES.				No. of Letters, 1857—1859.	Percentage for each Colony.	Amount Chargeable on each Colony.		
						£	s.	d.
Victoria	...	...	...	798,000	58.3.33	5,337	9	5
New South Wales	...	...	...	311,400	22.7.63	2,082	16	3
South Australia	...	...	...	99,400	7.2.66	664	16	9
New Zealand	...	...	...	77,900	5.6.94	521	0	0
Tasmania	...	...	...	68,900	5.0.37	460	17	9
Western Australia	...	...	...	12,400	9.0.7	82	19	10
				1,368,000	100,000	9,150	0	0



ABSTRACT of Tables A, B, C, D, E, F, G, H, and I.

COLONIES.	A.		B.		C.		D.		E.		F.		G.		I.		Total.		H.		Net Amount chargeable on each Colony year to 31st Dec., 1863.
	Service between Southampton and Point de Galle, year to 31st Dec., 1862 (not previously charged).	£ s. d.	Service between Southampton and Point de Galle year to 31st Dec., 1863.	£ s. d.	Service between Point de Galle and King George's Sound, year to 31st Dec., 1863.	£ s. d.	Service between King George's Sound and Melbourne, year to 31st Dec., 1863.	£ s. d.	Service between Melbourne and Sydney, year to 31st Dec., 1863.	£ s. d.	Moiety of Cost of Mail Boxes, year to 31st Dec., 1863.	Egyptian Transit Rate on Newspapers, via Southampton, year to 31st Dec., 1863.	£ s. d.	Moiety of Balance due to Royal Mail Steam Packet Company for Australian Service, from 1st July, 1858, to 4th May, 1859.	£ s. d.	£ s. d.	£ s. d.	£ s. d.	£ s. d.		
Victoria ...	8,224 19 7	7,427 1 2	20,826 2 10	9,566 18 3	...	616 10 9	1,428 10 1	5,337 9 5	53,427 12 1	678 1 1	52,749 11 0	22,730 13 9	22,730 13 9	22,730 13 9	22,730 13 9	22,730 13 9	22,730 13 9	22,730 13 9	22,730 13 9	22,730 13 9	
New South Wales ...	2,869 0 1	2,688 12 2	7,539 1 9	3,463 5 4	3,612 17 3	223 3 9	516 9 2	2,082 16 3	22,995 5 9	264 12 0	6,785 7 8	6,785 7 8	6,785 7 8	6,785 7 8	6,785 7 8	6,785 7 8	6,785 7 8	6,785 7 8	6,785 7 8	6,785 7 8	
South Australia ...	1,166 4 10	1,224 4 3	3,432 16 1	...	...	201 12 6	280 2 4	664 16 9	6,869 16 9	84 9 1	18,951 15 11	18,951 15 11	18,951 15 11	18,951 15 11	18,951 15 11	18,951 15 11	18,951 15 11	18,951 15 11	18,951 15 11	18,951 15 11	
New Zealand ...	1,744 12 5	2,456 11 3	6,888 8 5	3,164 7 5	3,301 0 3	203 18 6	672 1 4	521 0 0	18,951 19 7	66 3 8	4,393 2 8	4,393 2 8	4,393 2 8	4,393 2 8	4,393 2 8	4,393 2 8	4,393 2 8	4,393 2 8	4,393 2 8	4,393 2 8	
Tasmania ...	611 1 1	603 4 6	1,691 9 10	777 4 2	...	50 1 6	199 3 10	460 17 9	4,393 2 8	58 11 2	4,334 11 6	4,334 11 6	4,334 11 6	4,334 11 6	4,334 11 6	4,334 11 6	4,334 11 6	4,334 11 6	4,334 11 6	4,334 11 6	
Queensland ...	255 13 8	465 17 10	1,306 8 3	600 5 4	626 2 5	38 13 6	100 17 8	...	3,393 18 8	...	3,393 18 8	3,393 18 8	3,393 18 8	3,393 18 8	3,393 18 8	3,393 18 8	3,393 18 8	3,393 18 8	3,393 18 8	3,393 18 8	
Western Australia ...	186 8 4	192 8 10	539 12 5	...	...	15 19 6	52 15 7	82 19 10	1,070 4 6	10 10 9	1,059 13 9	1,059 13 9	1,059 13 9	1,059 13 9	1,059 13 9	1,059 13 9	1,059 13 9	1,059 13 9	1,059 13 9	1,059 13 9	
Total ...	15,058 0 0	15,058 0 0	42,223 19 7	17,572 0 6	7,539 19 11	1,250 0 0	3,250 0 0	9,150 0 0	111,102 0 0	1,162 7 9	109,939 12 3	109,939 12 3	109,939 12 3	109,939 12 3	109,939 12 3	109,939 12 3	109,939 12 3	109,939 12 3	109,939 12 3	109,939 12 3	

L. An Account showing the Amounts charged on the Australian Colonies and New Zealand from 1st January, 1857, to 31st December, 1863, on account of the Mail Packet Service, the remittances received from the Colonies, the Claims of the Colonies for Branch Packet Services, and the Balances due from the Colonies to 31st December, 1863.

Dr.	COLONIES.	Account from 1st Jan. 1857, to 31st March, 1861.		Account from 1st April, 1861, to 31st Mar., 1862.		Account from 1st April, 1862, to 31st Dec., 1862.		Account from 1st January to 31st Dec., 1863.		Total.		COLONIES.		Remittances.				Branch Packet Service.		Sundries.		Balance to 31st Dec., 1863.		Total.			
		£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.	£	s. d.		
	Victoria ...	206,431	3 9	40,033	11 6	26,764	19 8	52,749	11 0	325,979	5 11	Victoria ...	{ Proceeds of Sale of Exhibition Gold	74,033	16 4	50,000	0 0	20,000	0 0	30,560	7 5	...	...	151,385	2 2	325,979	5 11
	New South Wales	78,776	9 8	18,442	7 0	12,655	13 5	22,730	13 9	132,605	3 10	New South Wales ...		{ + Dec., 1861	4,757	0 0	43,637	8 8	18,442	7 0	...	...	*382	1 0	22,730	13 9	132,605
	South Australia ...	26,612	2 2	4,317	6 5	2,729	1 0	6,785	7 8	40,443	17 3	*Transferred to Queensland	{ + Jan., 1863	12,655	13 5	6,752	9 9	1,215	0 1	16,590	8 2	2,775	9 10	6,785	7 8	40,443	17 3
	New Zealand ...	26,123	1 3	11,532	17 7	7,883	5 4	18,885	15 11	64,425	0 1	South Australia ...	{ + Jan., 1863	5,000	0 0	5,000	0 0	5,000	0 0	5,000	0 0	...	...	39,425	0 1	64,425	0 1
	Tasmania ...	17,196	3 7	3,291	16 9	2,087	4 11	4,334	11 6	26,909	16 9	Tasmania ...	{ + Jan., 1863	5,672	0 2	5,090	7 8	1,239	11 6	...	...	...	...	16,147	8 11	26,909	16 9
	Queensland *Transferred from New South Wales	1,239	11 6	1,589	16 9	1,130	6 5	3,393	18 8	7,735	14 4	Queensland ...	{ + Sept., 1862	382	1 0	1,589	16 9	1,130	6 5	...	...	...	...	3,393	18 8	7,735	14 4
	Western Australia	3,580	18 1	690	14 0	438	19 3	1,059	13 9	5,770	5 1	Western Australia	{ + Dec., 1861	1,000	0 0	1,000	0 0	1,429	15 7	...	...	...	...	1,189	7 0	5,770	5 1
		360,341	11 0	79,898	10 0	53,689	10 0	109,939	12 3	603,869	3 3			353,538	9 10					8,612	19 10	660	15 4	241,056	18 3	603,869	3 3

## No. 2.

MEMO.—The Secretary of State's Circular Despatch of the 24th June, 1863, prefers a claim against New Zealand of £39,425 0s. 1d., on account of the Main Line of Steam Postal Communication between Great Britain and the Australian Colonies, up to the 31st December, 1863, this amount is made up as follows:—

1st Charges raised against the Colony in previous accounts extending from 1st January, 1857, to 31st March, 1862.	37,655	18	10
2nd Charges against the Colony for 9 months ending 31st December, 1862	7,883	5	4
3rd Charges against the Colony for the year ending 31st December, 1863	18,885	15	11
	<hr/> 64,425 0 1		
From which amount there are to be deducted Remittances, the receipt whereof is acknowledged	25,000	0	0
Remittance made 31st August, 1863	7,350	0	0
	<hr/> 32,350 0 0		
	<hr/> £32,075 0 1		

This balance has been accumulating for some years past, chiefly owing to the votes passed by the General Assembly for this service not being sufficient to defray the proportion exigible from the Colony.

The charge for the year 1863 has been calculated on the basis of the Treasury Minute of the 15th November, 1858, which provides that each of the Colonies is to contribute to the moiety to be paid by them collectively in proportion to its correspondence.

A fresh estimate of this proportion has been made for this year, which will be employed for similar purposes until the termination of the year 1865. This charge also includes the Egyptian transit rate on the Newspapers sent *via* Southampton, and a moiety of the cost of mail boxes.

Mr. Ward in a Memorandum dated the 14th November 1861, published in the papers relative to Steam Postal Service, laid before the General Assembly in its last Session, D. No. 8, fol. 9, reviewed generally the claims of the Imperial Government on this account, stating also the objections which were to be urged against them. The Secretary of State in acknowledging the receipt of this Memorandum in a Despatch to His Excellency the Governor, dated 4th June, 1862, says:—"That the Lords Commissioners adhere in every respect to their previous decisions, as communicated to your Government 'on this subject, and in conformity with their Lordship's desire, I have to instruct you to inform me distinctly whether your Ministers accede to the demands made on the Colony on this account, or whether they prefer that New Zealand shall be withdrawn altogether from the main Contract.'" I am not aware that this Despatch has been replied to.

In the face of this decision there seems no alternative, but to make provision for liquidating the out-standing claims of the Home Government, and to put on the Estimates a sufficient sum to cover the subsidy to be paid by the Colony for the future.

G. ELLIOTT ELLIOTT.  
Secretary.

General Post Office.  
3rd October, 1863.

## No. 3.

Downing Street,  
20th March, 1864.

SIR,—

I have the honor to transmit to you the copy of a letter, with its enclosures, from the Secretary to the Treasury, relative to the amount which will be payable by the several Australian Colonies and New Zealand on account of the Mail Packet Service for the year from the 1st of January, 1864.

I request that you will lay this Despatch before your Responsible Advisers, with a view of obtaining at the proper period a settlement of the claim against the Colony under your Government.

I have also to call your attention to the arrears due for this Service from New Zealand on account of previous years, and to request that early measures may be taken for payment of the amount.

I have, &c., &c.,

Governor Sir George Grey, K.C.B.,  
&c., &c., &c.

NEWCASTLE.

## Enclosure 1 to No. 3.

The Right Honourable F. PEAR to Sir F. ROGERS, Bart.

Treasury Chambers,  
7th March, 1864.

SIR,—

I am directed by the Lords Commissioners of Her Majesty's Treasury to transmit herewith a copy of a letter and of its enclosures from the Post Master General, dated 29th ult., forwarding an

account of the sums which will be payable by each of the Colonies in Australia, and New Zealand, for the year from the 1st January to the 31st December, 1864, in aid of the Packet Service; and I am to request that you will move the Duke of Newcastle to cause the necessary communications to be made to the Governments of the several Australian Colonies and of New Zealand, with a view of obtaining as punctual a settlement of these claims as possible.

I am further to observe that all the arrears due by the different Governments, and those of Tasmania and New Zealand in particular, where the arrears are proportionably so large, ought to be paid promptly.

I am, &c.,  
F. PEARL.

Sir F. Rogers, Bart.,  
&c., &c., &c.

### Enclosure 2 to No. 3.

General Post Office,  
29th February, 1864.

MY LORDS,

I have the honour to transmit the copy of a report from the Receiver and Accountant-General of the Post Office, covering an account of the sums which will be payable, under the terms of your Lordship's Minute of the 25th April, 1861, by each of the Colonies in Australia and New Zealand for the year from the 1st January to the 31st December, 1864, in aid of the Packet Service.

I request that your Lordships will be good enough to cause these particulars to be communicated to the Governments of the several Colonies, with a view to their taking steps for remitting the amounts due in each case previous to the 31st December next.

I have, &c.,  
(Signed) STANLEY OF ALDERLEY.

The Lords Commissioners of the Treasury.

### Enclosure 3 to No. 3.

For the SECRETARY.

February, 1864.

I beg to render an account, in duplicate, of the sums due from the Australian Colonies and New Zealand in aid of the cost of the Packet Service to 31st December next.

2. Tables A to F of the present account are identical with Tables B to G of the account for the year 1863, which were fully explained in my report of 5th May, 1863.

3. In Table G is charged against the Colonies half the salaries of the Naval Agents employed on the Australian Line of Packets.

4. Table H shows the amount chargeable on the Colonies for a proportion of the cost of the special Packets employed between Dover and Calais.

5. The charges in Tables G and H are raised against the Colonies this year for the first time.

6. Table I is a recapitulation of Tables A to H, and shows the total charge against each Colony for the current year.

7. Table K is an account current in continuation of that forwarded last year. In it credit is given to the Colonies for the remittances received during the year, and for such counter claims for Branch Packet Services as have been authorized during the year, and the balances payable before 31st December next are shown.

8. It will be seen that the arrear due on account of previous years, which in the last account rendered amounted to £131,117 6s., has been reduced to £93,276 1s. 10d.

The arrear from Victoria, which last year was nearly £100,000, is now but £44,000. That due from New Zealand has, on the other hand, increased from £20,000 to £32,000. The Colonies of New South Wales and Queensland have paid the whole charge raised against them for 1863; the arrear due from Tasmania is nearly £13,000; and from South Australia and Western Australia the arrears are inconsiderable.

(Signed) F. J. SCUDAMORE.

# PAPERS RELATING TO THE

—No. 1B.

A—Amount chargeable on Australian Colonies and New Zealand for proportion of Packet Service between Southampton and Point de Galle, Year ending 31st December, 1864.

COLONIES.	No. of Letters in 1863.	Percentage for each Colony.	Amount chargeable on each Colony, Year 1864.		
			£	s.	d.
Victoria ... ..	1,270,400	49,323	7,427	1	2
New South Wales ... ..	459,900	17,855	2,688	12	2
South Australia ... ..	209,490	8,130	1,224	4	3
New Zealand ... ..	420,200	16,314	2,456	11	3
Tasmania ... ..	103,200	4,006	603	4	6
Queensland ... ..	79,700	3,094	465	17	10
Western Australia ... ..	32,900	1,278	192	8	10
	2,575,700	100,000	15,058	0	0

B—Amount chargeable on account of Service between Point de Galle and King George's Sound.

Victoria ... ..	1,270,400	49,323	20,826	2	10
New South Wales ... ..	459,900	17,855	7,539	1	9
South Australia ... ..	209,400	8,130	3,432	16	1
New Zealand ... ..	420,200	16,314	6,888	8	5
Tasmania ... ..	103,200	4,006	1,691	9	10
Queensland ... ..	79,700	3,094	1,306	8	3
Western Australia ... ..	32,900	1,278	539	12	5
	2,575,700	100,000	42,223	19	7

C—Amount chargeable on account of Service between King George's Sound and Melbourne.

Victoria ... ..	1,270,400	54,441	9,566	18	3
New South Wales ... ..	459,900	19,709	3,463	5	4
New Zealand ... ..	420,200	18,008	3,164	7	5
Tasmania ... ..	103,200	4,423	777	4	2
Queensland... ..	79,700	3,416	600	5	4
	2,333,400	100,000	17,572	0	6

D—Amount chargeable on account of the Service between Melbourne and Sydney.

New South Wales ... ..	459,900	47,916	3,612	17	3
New Zealand ... ..	420,200	43,780	3,301	0	3
Queensland ... ..	79,700	8,304	626	2	5
	959,800	100,000	7,539	19	11

E—Amount chargeable on account of Moiety of the Cost of Mail Boxes.

Victoria ... ..	1,270,400	49,323	616	10	9
New South Wales ... ..	459,900	17,855	223	3	9
South Australia ... ..	209,400	8,130	101	12	6
New Zealand ... ..	420,200	16,314	203	18	6
Tasmania ... ..	103,200	4,006	50	1	6
Queensland ... ..	79,700	3,094	38	13	6
Western Australia ... ..	32,900	1,278	15	19	6
	2,575,700	100,000	1,250	0	0

**F—Amount chargeable for Egyptian Transit Rate on Newspapers sent via Southampton.**

COLONIES.	Newspapers via Southampton in 1863	Percentage for each Colony.	Amount chargeable on each Colony, Year 1864.		
			£	s.	d.
Victoria ... ..	781,800	43,954	1,428	10	1
New South Wales ... ..	282,700	15,891	516	9	2
South Australia ... ..	153,400	8,619	280	2	4
New Zealand ... ..	367,800	20,679	672	1	4
Tasmania ... ..	109,000	6,129	199	3	10
Queensland ... ..	55,200	8,104	100	17	8
Western Australia... ..	28,800	1,624	52	15	7
	1,778,700	100,000	3,250	0	0

**G—Amount chargeable for Moiety of Expense of Naval Officers in charge of  
Mails on the Australian Packets (3 Officers employed), at £215 per  
ann. each. Total Expense, £645 per ann.**

COLONIES.	No. of Letters in 1863.	Percentage for each Colony.	Amount chargeable on each Colony, Year 1864.		
			£	s.	d.
Victoria ... ..	1,270,400	49,323	159	1	4
New South Wales ... ..	459,900	17,855	57	11	8
South Australia ... ..	209,400	8,130	26	4	5
New Zealand ... ..	420,200	16,314	52	12	3
Tasmania... ..	103,200	4,006	12	18	4
Queensland ... ..	79,700	3,094	9	19	7
Western Australia ... ..	32,900	1,278	4	2	5
	2,575,700	100,000	322	10	0

Half chargeable on Colonies.

**H—Amount chargeable for proportion of Cost of Special Packets for Indian and  
Australian Mails between Dover and Calais.**

Estimated Annual Cost of Special Packets	....	£560
Less proportion chargeable for Indian Mails	....	100
Amount chargeable for Australian Mails	....	400
Moiety chargeable on the Colonies	....	200

Victoria ... ..	1,270,400	49,323	98	12	11
New South Wales ... ..	459,900	17,855	35	14	2
South Australia ... ..	209,400	8,130	16	5	2
New Zealand ... ..	420,200	16,314	32	12	7
Tasmania... ..	103,200	4,006	8	0	3
Queensland ... ..	79,700	3,094	6	3	9
Western Australia ... ..	32,900	1,278	2	11	2
	2,575,700	100,000	200	0	0

I.—An Account showing the Amounts chargeable on the Australian Colonies and New Zealand on account of the Mail Packet Service for the Year ending 31st December, 1864.

Colonies.	A. Service between Southampton and Point de Galle.			B. Service between Point de Galle and King George's Sound.			C. Service between Kg. George's Sound and Melbourne.			D. Service between Melbourne and Sydney.			E. Moiety of Cost of Mail Boxes.			F. Egyptian Transit, Rate on Newspapers via Southampton.			G. Moiety of Expense of Naval Agents in charge of Mails.			H. Proportion of Cost of Special Packets between Dover and Calais.			TOTAL.		
	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.
Victoria	7,427	1	2	20,826	2	10	9,566	18	3	...	...	3	616	10	9	1,428	10	1	159	1	4	98	12	11	40,122	17	4
New South Wales	2,688	12	2	7,539	1	9	3,463	5	4	3,612	17	3	223	3	9	516	9	2	57	11	8	35	14	2	18,136	15	3
South Australia	1,224	4	3	3,432	16	1	...	...	...	...	...	...	101	12	6	280	2	4	26	4	5	16	5	2	5,081	4	9
New Zealand	2,456	11	3	6,888	8	5	3,164	7	5	3,301	0	3	203	18	6	672	1	4	52	12	3	32	12	7	16,771	12	0
Tasmania	603	4	6	1,691	9	10	777	4	2	...	...	...	50	1	6	199	3	10	12	18	4	8	0	3	3,342	2	5
Queensland	465	17	10	1,306	8	3	600	5	4	626	2	5	38	13	6	100	17	8	9	19	7	6	3	9	3,154	8	4
Western Australia	192	8	10	539	12	5	...	...	...	...	...	...	15	19	6	52	15	7	4	2	5	2	11	2	807	9	11
	15,058	0	0	42,223	19	7	17,572	0	6	7,539	19	11	1,250	0	0	3,250	0	0	322	10	0	200	0	0	87,416	10	0

K.—Account Current for the Year ending 31st December, 1864, in continuation of that rendered for the year 1863.

Dr.

Cr.

Colonies.	Balance shown on account to 31st Dec., 1863.			Amount chargeable for 1864 by above Statement.			Total.			Colonies.	Remittances.			Branch Packet Service.			Balance to 31st Dec., 1864.			Total.				
	£	s.	d.	£	s.	d.	£	s.	d.		£	s.	d.	£	s.	d.	£	s.	d.	£	s.	d.		
Victoria ... ..	151,385	2	2	40,122	17	4	191,507	19	6	Victoria ... ..	{	£	s. <td>d.<td>1863</td><td>£</td><td>s.<td>d.<td>81,293</td><td>16</td><td>4</td><td>191,507</td><td>19</td><td>6</td></td></td></td>	d. <td>1863</td> <td>£</td> <td>s.<td>d.<td>81,293</td><td>16</td><td>4</td><td>191,507</td><td>19</td><td>6</td></td></td>	1863	£	s. <td>d.<td>81,293</td><td>16</td><td>4</td><td>191,507</td><td>19</td><td>6</td></td>	d. <td>81,293</td> <td>16</td> <td>4</td> <td>191,507</td> <td>19</td> <td>6</td>	81,293	16	4	191,507	19	6
New South Wales ...	22,730	13	9	18,136	15	3	40,867	9	0	New South Wales ...	{	57,214	3	2	6th June.	50,000	0	0	18,136	15	3	40,867	9	0
South Australia ...	5,785	7	8	5,081	4	9	11,866	12	5	South Australia ...	{	22,730	13	9	27th Nov.	581	17	4	2,575	0	0	11,866	12	5
New Zealand ...	39,425	0	1	16,771	12	0	56,196	12	1	New Zealand ...	{	673	4	6	19th Aug.	7,350	0	0	8,036	10	7	56,196	12	1
Tasmania ...	16,147	8	11	3,342	2	5	19,489	11	4	Tasmania ...	{	3,350	0	0	20th Nov.	48,846	12	1	16,227	12	4	19,489	11	4
Queensland ...	3,393	18	8	3,154	8	4	6,548	7	0	Queensland ...	{	3,393	18	8	16th Nov.	3,154	8	4	3,261	19	0	6,548	7	0
Western Australia ...	1,189	7	0	807	9	11	1,996	16	11	Western Australia ...	{	...	...	...	...	1,996	16	11	...	...	...	1,996	16	11
	241,056	18	3	87,416	10	0	328,473	8	3			141,943	17	5		5,836	19	0	180,692	11	10	328,473	8	3

General Post Office,  
23rd February, 1864.

(Signed)

FRANK IVES SCUDAMORE,  
Receiver and Accountant General.

## No. 4.

MEMORANDUM on the SECRETARY of STATE's Circular Despatch of 20th March, 1864, enclosing Accounts against New Zealand for Contribution to Main Line of Steam Service between Great Britain and Australia.

1. The balance due by the Colony for this service to December, 1863, as shown by the accompanying Memorandum (24th June, 1863) on the Despatch enclosing the amounts, was £32,075 0s. 1d., from which there is to be deducted a remittance of £6000 made in February 1864, leaving a balance of £26075 0s. 1d.

2. It was arranged, I believe, that Mr. Wood, while in England, was to settle this, with other outstanding accounts against the New Zealand Government.

Assuming, therefore, that this will be done to 31st December, 1863, the account will stand thus:—

Proportion of expense chargeable to New Zealand, to 31st	
December, 1864 - - - - -	£16,771 12 0
Deduct balance of vote of General Assembly by Estimates for	
1863-64, to be remitted - - - - -	£6,000 0 0

Showing a balance to be provided for of - - - - - £10,771 12 0

3. The remark which I made on the account received last year as to the insufficiency of the vote taken from the General Assembly, equally applies to this account: for instance, the sum charged for the twelve months ending 31st December, 1864, is £16,771 12s. 0d., whereas the vote of the General Assembly for the twelve months ending 30th June, 1864, is £12,000; and the proportion chargeable to New Zealand will increase in consequence of its rapidly increasing population.

G. ELLIOTT ELLIOTT,  
Secretary.

General Post Office,  
Auckland, 9th June, 1864.

## No. 5.

Government House,  
Auckland, 23rd July, 1864.

SIR,—

In reply to your Circular Despatch, of the 20th March last, relative to the amount payable by the Colony of New Zealand, on account of the Mail Packet Service, I have the honor to state that my Responsible Advisers inform me that Mr. R. Wood was authorised to settle all accounts with the Imperial Government, up to the 31st December, 1863, and the Government of New Zealand hope that this will have been done prior to the receipt of this Despatch, and that the contribution towards the Suez mail subsidy for the half-year ending 30th June, 1864, shall be remitted by the August mail, unless this Government, in the meantime, hear that Mr. Wood (as is possible) may have paid it in London.

I have, &c.,  
G. GREY.

The Right Hon. Edward Cardwell, M.P.,  
&c., &c., &c.

## No. 6.

General Post Office,  
Auckland, 4th August, 1864.

SIR,—

I have the honor, in the absence of His Excellency the Governor from Auckland, to enclose a Draft on the Bank of New Zealand, London, for Eight thousand three hundred pounds, in favor of Her Majesty's Postmaster-General, on account of the contribution due from New Zealand to the main line of Steam Service between Great Britain and Australia, and also of the commuted payment of Three hundred pounds per annum for letters between Australia and New Zealand.

I have, &c.,  
THOMAS B. GILLIES,  
Postmaster-General.

The Right Honorable  
H.M. Principal Secretary of State for the Colonies,  
&c., &c., &c.

**CORRESPONDENCE RESPECTING PROPOSED INCREASE OF POSTAGE ON LETTERS DESPATCHED BETWEEN GREAT BRITAIN AND AUSTRALIAN COLONIES AND NEW ZEALAND, FROM 6D. TO 1s. THE HALF-OUNCE LETTER.**

No. 7.

Downing-street,  
26th January, 1864.

SIR,—

I have the honor to transmit to you a copy of a letter from the Lords Commissioners of the Treasury, stating that, on and after the 1st of July next, the postage on letters despatched from this country to the Australian Colonies and New Zealand, via Southampton, will be raised to one shilling the half-ounce letter, and via Marseilles, to one shilling and fourpence, together with some other minor charges.

You will be good enough to lay this communication before your Responsible Advisers, for their consideration, and also in order that these changes may become publicly known.

I have, &c.,  
NEWCASTLE.

Governor Sir George Grey, K.C.B.,  
&c., &c., &c.

**Enclosure 1 to No. 7.**

The Hon. F. PEEL to Sir F. ROGERS.

Treasury Chambers,  
11th January, 1864.

SIR,—

I am commanded by the Lords Commissioners of Her Majesty's Treasury to acquaint you that the Postmaster-General has called the attention of this Board to the question of raising the postage on letters to the Australian Colonies and New Zealand, with a view to diminish the loss at present sustained in this service, and my Lords concur with His Lordship in opinion that steps should be taken for this purpose.

I am to observe that the increase from 6d. to 1s. the half-ounce, which took effect more than six months ago in the charge upon letters between this country and the West Indies, and the Cape of Good Hope, and Natal—these last Colonies, like those in Australia, with a considerable emigrant population—has had a very satisfactory result.

The Cape service, which, at the lower rate of postage, and the greater amount of subsidy paid, was, until then, attended with great loss, is now self-supporting, whilst the loss sustained in the service to and from the West Indies, has been greatly reduced, very little diminution of correspondence having followed the increase in the rate of postage.

My Lords have every reason to believe that similar satisfactory results would attend an augmentation in the rate of postage on letters to the Australian Colonies and New Zealand, and they therefore request that the Duke of Newcastle will inform the Governments of those Colonies that, on the 1st of July next, the postage on all letters despatched from this country to those Colonies, via Southampton, will be raised to one shilling the half-ounce letter, and the postage on letters sent via Marseilles will be raised to one shilling and fourpence the half-ounce letter, but that at the same time with a view to relief being afforded to the correspondence of the poorer class of emigrants, the postage on letters conveyed by private ship will be reduced to 4d. the half-ounce letter.

My Lords further request that the Duke of Newcastle will, in making this communication to the Governments of the respective Colonies, observe to them that each Colony will be at liberty to alter to such extent as it may think proper the postage on letters despatched to or through the United Kingdom.

I am to state further that my Lords propose that, simultaneously with the raising of the postage on letters to the Australian Colonies and New Zealand, the scale of weight should be modified, and made to correspond with the scale recently adopted in respect of letters exchanged with the British West Indies, Cape of Good Hope, &c. Under this amended scale, one rate of postage will be charged for each half-ounce that a letter may weigh, so that a letter weighing more than an ounce, but not more than 1½ ounce, will be charged three rates of postage; a letter weighing more than 2 ounces, but not more than 2½ ounces, four rates of postage, instead of five and six rates respectively, as under the existing scale of progression.



It will, however, be for the Colonial Post Offices to decide whether they will adopt those charges with regard to letters despatched to or through the United Kingdom or not, as they may feel disposed.

I am, &c.,

F. PEEL.

Sir F. Rogers, Bart.,  
&c., &c., &c.

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No. 8.

Government House, Auckland,  
3rd August, 1864.

Sir,—

Adverting to your Circular Despatch of the 26th of January, 1864, transmitting the copy of a Letter from the Lords Commissioners of the Treasury, dated 11th January, 1864, regarding an increase on the rate of postage to this Colony, I have the honor to enclose for your information a Memorandum I have received from my Responsible Advisers in relation to this subject.

I have, &c.,

G. GREY.

The Right Hon. Edward Cardwell, M.P.,  
&c., &c., &c.

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Enclosure to No. 8.

MEMORANDUM for HIS EXCELLENCY THE GOVERNOR.

Referring to the Circular Despatch of His Grace the Duke of Newcastle, dated the 26th January, 1864, enclosing copy of a Letter from the Treasury stating that from and after 1st July, 1864, the Postage on Letters from Great Britain to New Zealand, *via* Southampton and Marseilles would be raised, and leaving it to the Colony to determine whether a similar increase in Postage should be made on letters despatched from the Colony.

His Excellency is respectfully requested to inform Her Majesty's Government that it is not the intention of the Colonial Government to make any alteration in the present rates of postage on letters despatched from this Colony.

Ministers would further desire respectfully to represent to the Imperial Government that whilst it is no doubt desirable to approximate the Postal revenue to the expenditure, this result is in their opinion more likely to be obtained by encouraging increased correspondence than by checking correspondence by a high rate of postage. No doubt the increased rate of postage will make but little difference in the number of business letters, but on the large class of friendly correspondence especially between poor emigrants and their generally poorer home friends, the alteration in postage will have a considerable influence—it will tend to sever the ties between the colonists and the mother country, and to lessen that community of feeling which it is so desirable to cultivate between Great Britain and her Colonies—results which will be dearly bought by the saving of a few thousands of pounds to the Postal Department. The reduction of postage by sailing ships is practically valueless as few persons will write by an opportunity which only promises a reply in about eight or nine months.

Ministers would respectfully ask the Home Authorities to reconsider their decision which is in effect a reversal of the enlightened and successful policy initiated by Sir Rowland Hill, in the penny postage system of Great Britain.

THOS. B. GILLIES,  
Postmaster-General.

General Post Office,  
Auckland, 2nd August, 1864.

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No. 9.

General Post Office,  
18th June, 1864.

Sir,—

You have no doubt been informed by the Government of New Zealand that Her Majesty's Government have come to the determination to raise, on the 1st July next, the postage upon letters sent from this country to New Zealand by packet, *via* Southampton, from sixpence to one shilling the half ounce, and *via* Marseilles from twopence to one shilling and fourpence the half ounce, and simultaneously to reduce the postage on letters forwarded by private ship from 6d. to 4d. the half ounce.

It has also been decided that the scale of progression for charging letters above one ounce in weight shall be modified, and that a single additioned rate shall be charged for *every half ounce*, instead of adding as at present, two rates for every ounce or fraction of an ounce after the first. The effect of this will be that a letter sent by packet *via* Southampton, weighing more than one ounce, but under one ounce and a half, will be liable to a postage of 3s. instead of 4s., and if exceeding two ounces, but under two and a-half ounces to a postage of 5s. instead of 6s., and so on.

## PAPERS RELATING TO THE

It has been left to the Government of New Zealand to adopt similar arrangements as regards letters sent from the Colony to the United Kingdom, or to maintain the present rates, as they may think fit.

It may be expected that for some time after the altered rates of postage are carried into operation and until the new arrangements become generally known, many letters will be posted in this country, paid, at the present rates, and in order to avoid the necessity of opening and returning such letters for the deficient postage, the Postmaster-General proposes for a time to have them forwarded as insufficiently paid, charged with the deficiency, and a fine of one rate in addition, according to the practice at present pursued with regard to insufficiently paid letters.

I am, &c.,

F. HILL.

The Postmaster-General,  
&c., &c., &c.  
Auckland.

## No. 10.

New Zealand General Post Office,  
Auckland, August 25th, 1864.

SIR,—

I have the honor, by direction of the Postmaster-General of New Zealand, to acknowledge the receipt of Mr. F. Hill's letter quoted in the margin, (569 P., 18th June, 1864) stating that Her Majesty's Government had come to the determination to raise, on the 1st July last, the postage upon letters sent from the United Kingdom to New Zealand by packet via Southampton, from sixpence to one shilling the half ounce; and via Marseilles from tenpence to one shilling and fourpence the half ounce.

It is not intended to make any alteration in the rates of postage on letters despatched from this Colony to the United Kingdom, as the New Zealand Government is of opinion that whilst no doubt it is desirable to approximate the Postal Revenue to the expenditure, this result is more likely to be obtained by encouraging an increase in the amount of correspondence, than by increasing the rate of postage. No doubt the increased rate of postage will make but little difference in the number of business letters, but on the large class of friendly correspondence, especially between poor emigrants and their generally poorer home friends, the alteration in postage will have a considerable influence; it will tend to sever the ties between the colonists and the mother country, and to lessen that community of feeling which it is desirable to cultivate between Great Britain and her Colonies—results which will be dearly bought by the saving of a few thousand pounds.

The Postmaster-General would be glad to hear that Her Majesty's Government have been induced to reconsider their decision in this matter, which is in effect a reversal of the enlightened and successful policy initiated by Sir Rowland Hill in the penny postage system of Great Britain.

I have, &c.,

G. ELLIOTT ELLIOTT,  
Secretary.

The Secretary, General Post Office,  
London.

## No. 11.

General Post Office,  
London, 19th July, 1864.

SIR,—

In a letter dated the 18th ultimo, I informed you, with reference to a previous communication to the Government of New Zealand, that on the 1st instant, the postage of letters sent by packet from the United Kingdom to the Australian Colonies and New Zealand, via Southampton, would be raised from sixpence to one shilling, a corresponding increase of charge being made on letters sent via Marseilles.

Simultaneously it was intended to reduce from sixpence to fourpence the postage of letters forwarded to those colonies by private ship.

I am now directed by the Postmaster-General to acquaint you that, in consequence of the objections which have been strongly urged, on behalf of the Colonies, to the proposed augmentation of the postage, it has been determined, until there has been time for further communication on the subject with the Australian Colonial Governments, to suspend the measure.

The old rates of postage will therefore continue for the present to be collected in this country.

I am, &c.,

F. HILL.

The Postmaster-General,  
&c., &c., &c.  
Auckland.

## No. 12.

General Post Office,  
Auckland, 30th Sept., 1864.

SIR,—

I have the honor to acknowledge the receipt of your letter noted in the margin (726 P. 19th July, 1864) stating that in consequence of the objections which have been strongly urged against the

proposed increase in the postage of letters sent by Mail Packet from Great Britain to the Australian Colonies, it has been determined to suspend this measure.

I am directed to inform you that the New Zealand Government is glad to learn that such a determination has been come to by Her Majesty's Postmaster-General.

I have, &c.,

G. ELLIOTT ELLIOTT,  
Secretary.

The Secretary, General Post Office,  
London.

## CORRESPONDENCE RESPECTING DISCONTINUANCE OF SYDNEY AND COOK'S STRAITS MAIL STEAMER TO RUN TO LYTTELTON AND PORT CHALMERS.

### No. 13.

General Post Office,  
Auckland, 5th April, 1864.

SIR,

In the reconstruction of the Interprovincial Mail Services, there appears to have been overlooked the trip of the "Prince Alfred" from Nelson to Otago and back, intermediate between her Sydney and Nelson voyages, and for which a subsidy of £1,600 is at present paid.

On referring to the time table for the other Services, which was specially constructed at Captain Hall's request, with a view to the correspondence between the interprovincial boats and the Sydney and Nelson boat, it will be seen that the "Prince Alfred" and the "Phœbe" would be running against each other from Nelson to Otago and back.

This cannot be an advantageous arrangement for the Company, and I see no reason for the Colony paying a subsidy for two steamers of the same Company running about the same dates.

I therefore propose to determine the subsidy of the "Prince Alfred" between Nelson and Otago at the earliest date consistent with placing the Company at as little inconvenience as possible.

Be so good as to inform me without delay when the Company will be prepared to forego the subsidy above referred to, as I should be unwilling to inconvenience the Company by a formal notice after the satisfactory manner in which the Company, through Captain Hall, met the desires of the Government in reference to the additional Interprovincial Services.

I have, &c.,  
THOMAS B. GILLIES.

The Local Manager I. C. R. M. Company.

### No. 14.

Intercolonial Royal Mail Company,  
Sydney and New Zealand,  
Sydney, April 20th, 1864.

SIR,

I have the honour to acknowledge the receipt of your letter of 5th March (April), requesting to be informed "when the Company will be prepared to forego the subsidy at present paid to Cook's Straits' steamer for service south of Nelson."

I am certainly very much astonished at the proposal, because you ask me on behalf of this Company to consent to the virtual destruction of the Cook's Straits' line, by relinquishing, without any equivalent, that part of it which from the first the New Zealand Government urged us to perform, and which we only lately succeeded in doing. See my letter of April 13th, 1863, addressed to Mr. Reader Wood, informing him that we were prepared to undertake the extended service to Otago, in accordance with Mr. Ward's earnest desire. at the interview I had with him at Melbourne prior to his leaving for England.

It is by no fault of ours that the Southern part of the Cook's Straits' line is made to appear superfluous; nor need it have been so, because the extra boat might have been arranged to leave 28th to meet it at Wellington or Nelson—performing the northern part of the service.

Referring to recent arrangements, it was fully understood that the services were to be two on each coast; that the then existing lines, Manukau leaving 24th and Cook's Straits, were not to be disturbed, except the dates by a day or two, and my tender was based upon this for a fortnightly service. See letter March 29th, in which I stipulate that "the present west coast boat (*i.e.* "Phœbe," leaving "Manukau 24th) keep up the same communication as hitherto," or correspondence with Cook's Straits' steamer by calling at Wellington and Picton; thus completing the connection between these ports and Sydney *via* Nelson, as provided for by agreement with New Zealand Government, November 1862, so that the convenience of the public should be studied as well as our interests.

In corroboration, the dates you gave me South, in Marsh, at Lyttelton, were to leave Auckland 2nd and 18th, *i.e.* fortnightly; Manukau 9th and 25th, *i.e.* fortnightly. Why the company's interests and *bona fide* arrangements are sacrificed in order to introduce a third boat, I am at a loss to know. Nor was a third west-coast service ever mentioned even up to the last moment, when as the steamer was leaving the quay you gave me the new dates, viz.—“Airedale” leave Manukau 8th, and Otago 25th; “Phœbe” leave Manukau 28th, and Otago 15th, and arrive at Manukau 24th. Of course I had no time then to examine the operation of them—barely only to note them down; but it was soon apparent subsequently, and therefore I made my request for the modification of the recent alteration, and have instructed Mr. Jervis to see you, that this important matter may be at once gone into and set right again, making the complete connection between “Phœbe” and Sydney steamer on upward passage, by the former calling for Wellington and Picton passengers.

I had little idea that after negotiating with you in good faith on the principal of a fortnightly service (see letter March 19th), but that this was an oversight (and the shifting “Phœbe” from 24th to 28th, and thus overrunning the route of the Cook's Straits' boat on her downward passage), and that so great an injustice would be proposed as to abolish the Cook's Straits' line, which I affirm was distinctly agreed to remain unchanged.

In your letter of March 31st you agree to the stipulations contained in mine of the 29th, subject to certain modifications, not at all affecting the question at issue. If “Phœbe” had been put back three or four days, from the 28th to 25th, 24th, or 23rd, as agreed with Mr. Ward, the third service might have been arrived at thus, viz., leave Manukau 28th, five days after “Phœbe.” You most distinctly told me in conversation that you would take care in making the new arrangements that one boat did not run over the other.

In your letter of 5th March (April) you mention the satisfactory manner in which the desires of the Government have been met in reference to additional interprovincial services; and I must say that notwithstanding my readiness on all occasions to meet the reasonable wishes of the Government, I very much regret to observe a want of reciprocity, and that the concessions continually made by the Company are followed by harder terms.

In conclusion, I have to submit that the Cook's Straits' line was, by letter of November 14, 1862, incorporated into the original contract and terminable only with it; therefore as your proposal is not the mere giving up of £1,600 per annum, but destroying a line, and introducing a principle which may be applied to any of the Company's lines, I must refer the question to the Directors. I would again press upon you the request which I have instructed Mr. Jervis to make, viz., that the dates may be so modified as to adjust the services in some degree of accordance with the spirit of the negotiations lately completed. Trusting you will see the justice of my request,

The Hon. Thomas B. Gillies,  
Postmaster General, &c., &c., &c.,  
New Zealand.

I have, &c.,  
JOHN VINE HALL.

## No. 15.

New Zealand, Auckland, 3rd May, 1864.

SIR,

I have the honour to acknowledge receipt of your letter of 20th ultimo, and regret that the tone of yours compels me to enforce as a right that which I had hoped to accomplish by mutual arrangements. I cannot assent to your proposition that the extra services from Nelson to Otago commenced under two separate arrangements, at two separate subsidies, the last only agreed to by you in April 1863 were by agreement of November, 1862, incorporated with the original contract, so as to be only terminable with it. Nor can I assent to your statements that in the recent arrangements for additional Interprovincial services any additional stipulation was made in reference to the correspondence northwards of the “Phœbe” with the Cook's Straits' boat; the conversations referred to by you were no part of these arrangements, and occurred prior to any system of Interprovincial service having been determined on by me. The alteration of the “Phœbe” from 24th to 28th did not, under the stipulations of the original contract, require the Company's assent; it was made in order to keep up the correspondence of the “Phœbe” southwards with both the Auckland and Cook's Straits' lines, and you must see that the additional services which the public necessities of the Colony demanded (and which your Company were not in a position to undertake, and which were therefore not mentioned to you), rendered it impossible that the “Phœbe” could be made to correspond with the Cook's Straits' line on both the northward and southward route; I therefore adopted a time table which appeared to me to be best adapted for the efficiency of the public service.

I have now to give you notice, that payment of the subsidy for the line from Nelson to Otago, in continuation of the Cook's Straits' Intercolonial line, will cease in three months from this date, that line having become unnecessary for the postal service of the Colony.

Your remarks as to concessions being continually made by the Company I am at a loss to understand, as on examination of the mode in which the contracts have hitherto been performed by the Company shows that the Government of New Zealand have dealt with the Company with the utmost tenderness, and have in numerous instances waived the enforcement of terms of the contracts which would have proved exceedingly inconvenient to the Company. It is, however, unnecessary for me to enter into a discussion of this and other statements in your letter, which have no real bearing on the point at issue.

The General Manager I. C. R. M. Company,  
Sydney.

I have, &c.,  
THOMAS B. GILLIES.

## No. 16.

Intercolonial Royal Mail Company,  
Sydney and New Zealand.

Sydney, May 13th. 1864.

SIR,—

In the absence of Captain Hall, (who is on his voyage to England,) we have the honor to acknowledge the receipt of your letter of the 3rd instant, addressed to him in answer to his letter to you of the 20th April last, in which, for the reasons therein stated, you give notice that the payment of the subsidy for the line from Nelson to Otago in continuation of the Cook's Strait Intercolonial Line, will cease in three months from the date of your letter, that line having become unnecessary for the Postal arrangements of the Colony. In Capt. Hall's letter to you, before referred to, he has gone fully into his reasons for objecting to "forego the subsidy at present paid to Cook's Strait Steamer for service south of Nelson," and has intimated his intention of referring the question at issue between you to his Directors: and we can only await their instructions upon the subject.

While reiterating, in accordance with our instructions, Capt. Hall's position—that the contract for the extra service before referred to, can only be terminated with the original contract; nevertheless we beg to assure you that we shall at all times, on behalf of the Company, be most anxious and willing to meet your wishes in every respect, in carrying out the Postal arrangement to the satisfaction of the Government of New Zealand; and in making any alterations therein you may suggest, which may not be prejudicial to the interest of the Company represented by us.

We have &c.

Signed. { H. LAWSON,  
          { R. T. HALL.

The Hon. the Postmaster General,  
New Zealand.

## No. 17.

Intercolonial Royal Mail Company,  
Sydney and New Zealand.

Sydney, June 15th, 1864.

SIR,—

With reference to the dates of Cook's Strait Steamer south of Nelson being overrun by those of West Coast steamer, we have the honor (pending receipt of letter from the Directors on this matter) to request, in pursuance of suggestion made to meet the case—that the Cook's Strait steamer should leave Sydney 15th of each month, instead of 25th, as hitherto: thus giving Nelson the English Mail about the 22nd, instead of 30th, as of late; returning from Nelson the 3rd, and arriving at Sydney the 10th.

We have, &c.

Signed. { H. LAWSON,  
          { R. T. HALL.

The Hon. the Postmaster General, &c., &c.,  
of New Zealand.

## No. 18.

The letter from the agent of the Company in Sydney dated 15th June, 1864, was replied to by Mr. Gillies from Nelson on the 12th July, sanctioning the proposed arrangement, but no copy of the letter was forwarded to the Postmaster General's Office, Auckland.

## No. 19.

Intercolonial Royal Mail Company,  
Sydney and New Zealand,

Sydney, July 23rd, 1864.

SIR,—

I have the honor to acknowledge the receipt of your letter of the 12th, instant, agreeing to alteration of date of sailing of Strait's steamer from Sydney, from 25th to 15th of each month, with the arrangement that in the event of the European Mail arriving late, the Auckland steamer should wait as hitherto to bring on the Mails.

In reply, I beg to inform you that arrangements have been made to have a steamer in readiness to carry out the alteration next month, and that in order to effect the change in the best manner, and facilitate course of correspondence between Straits Ports and Sydney, and also prevent disappointment which would occur without some such provision, I have given instructions for S. S. "Otago" leaving

Sydney 25th, to go as far as Canterbury only, and thence return to Sydney, via Wellington and Nelson, reaching Sydney say two or three days prior to new date of sailing hence; thus dovetailing new dates into old.

I have &c.  
H. LAWSON

The Hon. the Postmaster General &c., &c.,  
New Zealand.

No. 20.

Panama, New Zealand and Australian  
Royal Mail Company, Limited,  
July 26th, 1864.

SIR,—

The Directors having considered the correspondence in reference to the withdrawal of the subsidy of £1600 per annum for the extension of the service between Sydney and Cook's Straits, have desired me to express their surprise at the injustice of the course which you have adopted.

The Company's General Manager, Capt. Vine Hall, was urged to undertake the extra service, which he did, as soon as he could complete his arrangements, but just as the line is in full operation, and the traffic being developed, the Government put an end to the said service without any previous intimation, and the Company are consequently subjected to the expenses inseparable from preliminary operations.

The Directors conceive that it is as necessary now as it was 6 months ago, that direct communication should be maintained between Sydney and the Southern Provinces of New Zealand, and they believe it would have been easy to have arranged the Time Tables in such a manner as not to have two departures from the one port on the same day.

The Directors consider the Company has been very unfairly treated in this matter, and also contend that the undertaking contained in Mr. Crosbie Ward's letter of the 17th December, 1863, (copy of which is forwarded herewith,) that the present Intercolonial Services "shall continue on their present footing until the 1st January, 1865," is binding on the Government, and further, that in any case the Company are entitled to receive six instead of three months notice of termination, in accordance with the resolutions of the Colonial Parliament passed in the session of 1862,—I have therefore to submit that some re-arrangement of the Service may be made, by which the Cook's Straits line may be restored to its former utility, and the payment of the subsidy continued.

I have &c.  
CLAUD HAMILTON,  
Chairman.

The Hon. T. B. Gillies Esq., Postmaster General,  
New Zealand.

Enclosure to No. 20.

London, December 17th, 1863.

MY LORD,—

Agreeably with the Board's request, I undertake and agree on the part of the General Government of New Zealand, 1st,—that the Time Table for the Panama Service shall always be arranged so that the vessels engaged in that service may continue their voyage from Wellington or other the port of arrival in New Zealand to Sydney, in performance of the Intercolonial Service to be performed under the agreement of the 28th May, 1858, and may return from Sydney to Wellington or other the port of departure in New Zealand in time to perform the service to Panama, thus making one continuous through line between Sydney, New Zealand, and Panama: 2nd—That the port of arrival in New Zealand for such Intercolonial Service to be performed under the agreement of 28th May, 1858, shall always be the port of departure for Panama, and that such port shall be the only port in New Zealand to which the Intercolonial service under the said agreement of 1858 shall extend.

3rd,—That when a fine shall be imposed under the original Contract of 1858, in connection with the Intercolonial Service between Sydney and New Zealand, a fine is not to be imposed for any consequent delay or breach in the performance of the Panama Service, and vice versa, that is to say when a fine is imposed for a breach of the performance of the service between Panama and New Zealand, a fine is not to be imposed for any consequent breach of any service to be performed under the original contract of 1858.

4th,—That the Company shall be allowed 7 days for the performance of the service between New Zealand and Sydney, and for stoppages in New Zealand.

5th,—That the existing Intercolonial and Interprovincial Services shall continue on their present footing until 1st January, 1865.

It is also agreed between us that all the vessels now belonging to the Company are accepted for the performance of the present Mail Services, and the contemplated extra interprovincial service, subject to their being provided from time to time with certificates from the Steam Navigation Board in Sydney.

I have &c.  
CROSBIE WARD.

Right Hon. Lord Claud Hamilton, M.P., Chairman of the  
I. C. R. M. Steam Packet Company, Limited.

## No 21.

General Post Office,  
Auckland, 28th September, 1864.

MY LORD,—

I have the honor to acknowledge receipt of your letter of the 20th July last, expressing the surprise of your Directors at what they are pleased to term the injustice of the course which I have adopted in reference to the subsidy of (£1600,) one thousand six hundred pounds per annum, for the Interprovincial services performed by the Sydney and Cook's Straits steamer, and informing me that *they* conceive it necessary that direct communication should be maintained between Sydney and the Southern Provinces of New Zealand.

A reference to my letter to the Local Manager of your Company, dated 5th April, 1864, will show that there was every desire on my part, to cause as little inconvenience as possible to the Company by the termination of that service, which, in my opinion, had become unnecessary: and it was only on receipt of Capt. Vine Hall's letter of 20th April that I felt compelled to terminate that service by formal notice.

Mr. Crosbie Ward's letter of the 17th December, being part of the Panama scheme arrangement, I cannot recognise as having anything to do with this matter, nor can Resolutions of the House of Representatives confer any rights on parties who undertake contracts, without reference to such Resolutions as the basis of their contracts.

The satisfactory operation of the Interprovincial Services arranged by me in April last, has fully justified my opinion of the propriety of terminating the Nelson and Otago Service, and leaves no prospect of its resumption.

I have &c.  
THOMAS B. GILLIES,  
Postmaster General.

The Right Hon. Lord Claud Hamilton,  
Chairman I, C. R. M. Co. London.

## No. 22.

NOTICE TO MESSRS. McMECKHAN & BLACKWOOD, TERMINATING CONTRACT.

Dunedin, 18th June, 1864.

GENTLEMEN,—

In terms of the Contract for the conveyance of mails per "Aldinga" and "Alhambra," I hereby give you the stipulated six months' notice that the existing Contract will cease and determine on the 11th day of January, 1865.

I have, &c.,

THOMAS B. GILLIES,  
Postmaster-General, New Zealand.

Messrs. McMeckhan & Blackwood,  
Melbourne.

## No. 23.

CONTRACT WITH MESSRS. McMECKHAN & BLACKWOOD FOR STEAM MAIL SERVICE BETWEEN OTAGO AND AUCKLAND.

Articles of Agreement made this ninth day of December, in the year of our Lord one thousand eight hundred and sixty-three, between James McMeckan and John Hutchison Blackwood, of Melbourne, in the colony of Victoria, merchants and ship-owners, and who are hereinafter styled "the contractors" of the one part, and Her Majesty's Postmaster-General of the Colony of New Zealand, on behalf of the said Colony, in pursuance of the provisions of "The New Zealand Post-office Act, 1858," of the other part, witness, that for the considerations hereinafter mentioned, the said contractors, for themselves, their heirs, executors, administrators, covenant, and each of them, for himself, his heirs, executors, and administrators, covenants with the said Postmaster-General and his successors in office, as follows:—

1. The steamships "Aldinga" and "Alhambra" shall, at the commencement of the contract service hereby provided for, and during the continuance of the same, be tight, staunch and strong, properly manned and equipped for sea, and shall be employed, as hereinafter mentioned, in the mail service between Melbourne aforesaid and Port Chalmers in New Zealand.

2. One of the said steamships shall, within twenty-four hours after the arrival of the European mail at the port of Melbourne aforesaid, in each month, leave that port for Port Chalmers aforesaid, and shall, unless prevented by tempestuous weather, call at the Bluff Harbour to land and receive mails, and shall deliver the mails at Port Chalmers within one hundred and fifty-six hours from the hour of departure from Melbourne. Provided that neither of the said steamships shall be required to wait at Melbourne for the European mail more than twenty-six hours after its due date for arrival there, and

that one of the said steamships shall leave Melbourne for Port Chalmers at the expiration of that time, unless detained at Melbourne by the said Postmaster-General, or his agent, to wait the arrival of the English mail there for any time not exceeding a further period of ninety-six hours.

3. One of the said steamships shall leave Port Chalmers on the eighteenth day of each month (except the month of February), not earlier than two p.m. in the day; and on the sixteenth day of the month of February, not earlier than two p.m. on that day.

4. All Post-office Mails from England for New Zealand shall be taken from the European mail-ship, in Hobson's Bay, at Melbourne, by and at the expense of the contractors.

5. All Post-office Mails from New Zealand for England shall be delivered on board the European mail-ship, in Hobson's Bay, by and at the expense of the contractors.

6. The Post-office Mails for the northern ports of New Zealand shall be delivered by and at the expense of the contractors, on board a steamboat, to be provided by the said Postmaster-General, or his successors in office, and to be kept waiting at Port Chalmers for the arrival there of the steam-ship which may be employed in each month under this contract in conveying mails from Melbourne to New Zealand.

7. A chief cabin passage, free of cost, either for passage or victualling, in each of the steam-ships employed under this contract, shall be provided on all occasions when required by the Governor of New Zealand, for an agent or clerk of the New Zealand Post-office; and, also, a safe and proper place of deposit for the mails, and proper accommodation for enabling the mails to be sorted on board of the said steam-ships.

8. The sum of one hundred pounds shall be paid by the contractors to the said Postmaster-General or his successors in office, if on any occasion either of the said steam-ships shall not sail at the appointed time, and an additional sum of one hundred pounds shall be in like manner paid for every delay of twenty-four hours in sailing after the appointed time; and the sum of two hundred pounds shall be in like manner whenever either of the said steam-ships shall not call at the Bluff Harbour, unless prevented from doing so by tempestuous weather.

9. If the contractors shall fail in any month to deliver the homeward mails to the European mail contract steam-ship at Melbourne, before her departure from that port with her homeward mails, the contractors shall pay to the said Postmaster, or his successors in office, the sum of three hundred pounds in addition to any other penalties which they may become liable to under these presents.

10. In the event of either of the said steam-ships becoming disabled, the contractors shall immediately, at their own cost and charge, replace the same by another good and efficient vessel of similar tonnage and power, obtained by hire or otherwise.

11. If there be no Post-office agent or clerk on board, the masters of the said steam-ship shall, without charge to the Government, take care of, and the contractors shall be responsible for, the receipt, safe custody, and delivery of the mails, according to the terms of this contract.

12. The contractors, and all officers of their vessels when employed in the performance of this contract, and all seamen and servants of the contractors, shall at all times punctually attend to the orders and directions of the said Postmaster-General and of any of the officers or agents of the said Post-office, as to the receiving, landing, and delivery of the mails.

13. All sums of money hereinbefore stipulated to be forfeited or paid by the contractors, shall be considered as stipulated or ascertained damages, and may at the option of the said Postmaster-General, or his successors in office, be deducted and retained by him or them, out of any money payable to the contractors under this contract, or payment thereof may be entered as a debt due by the contractors to Her Majesty, with full costs of suit.

14. In case of habitual negligence or wilful default by the contractors in the performance of this contract, the said Postmaster-General, or his successors in office, may, by writing under his or their hand or hands, give to the contractors one month's notice of an intention to determine this contract, and at the expiration of the said month this contract shall end and determine accordingly; but the contractors shall be and continue subject to any liability which they may have incurred previously to such determination, and as though this contract had not been determined.

15. Any notice, which the said Postmaster-General, or his successors, shall require to serve on the contractors, shall be deemed to be duly served when the same is delivered to the master of either of the said steam-ships, the "Aldinga" or "Alhambra," or of any ship which may be substituted for either of them.

16. For the faithful performance of all the covenants, stipulations, and agreements hereinbefore contained, the contractors bind themselves and himself respectively, in the sum of four thousand pounds sterling, to be paid to our Sovereign Lady the Queen, her heirs and successors, by way of stipulated or ascertained damages, in manner following, that is to say, the sum of two thousand pounds in case of wilful failure or default on the part of the contractors in the due performance of this contract, or any part thereof, in respect of each or either of the said mail services hereby contracted for, that is to say, the service from New Zealand to Melbourne, and the service from Melbourne to New Zealand.

17. And in consideration of the due and faithful performance by the said contractors of all the services hereby contracted to be performed by them, the said Postmaster-General, on behalf of the colony of New Zealand, hereby covenants with the said contractors, their executors and administrators, to pay to them, or to their agent in New Zealand, for the said services, at the rate of seventeen thousand pounds per annum, by equal monthly instalments, or payments of one thousand four hundred and sixteen pounds thirteen shillings and four pence, at the Sub-Treasury, in Dunedin, on the first day of each month; and, also, the further sum of two hundred pounds for each and every period of twenty-four hours during which either of the steamships employed under this contract shall have been detained at Melbourne by the said Postmaster-General, or his agent, under the provisions of the second clause hereof.

18. And, further, that during the service hereby contracted for, all mails from New Zealand for Victoria, and for Europe, shall be delivered by and at the expense of the said Postmaster-General, or his successors in office, at Port Chalmers, aforesaid, on board the steamship which may be employed or used by the contractors under this contract.



19. And, further, that all mails which by the terms of this contract are to be taken by the said contractors to the Bluff Harbour, or received by them there, shall by and at the expense of the said Postmaster-General, or his successors in office, be there taken from, or as the case may require delivered to the contractors' steam-ship which may call at Bluff Harbour to deliver or receive such mails.

20. It is lastly agreed by and between the said parties hereunto, that the service hereby contracted for shall commence on the eleventh day of January, one thousand eight hundred and sixty-four, and shall be carried on; and this contract shall continue in force until determined by notice, under the provisions of the fourteenth clause hereof, or until one of the said parties hereto shall have given to the other of them six months' notice of an intention to determine the same, and until the said six months shall have expired; provided always that the said service and contract shall not be determined by such notice as last aforesaid, before the eleventh day of January, one thousand eight hundred and sixty-five, except in the case of habitual negligence, or wilful default, as hereinbefore provided. In witness whereof the said parties to these presents have hereunto set their hands and seals, the day, month, and year first hereinbefore written.

Signed, sealed, and delivered by the said James M'Veckhan and John Hutchison Blackwood, in the presence of

<p>R. W. NUTT, Solicitor and Notary Public, Melbourne.</p>	}	<p>JAMES McMECHAN, JOHN HUTCHISON BLACKWOOD, THOMAS B. GILLIES.</p>
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Signed, sealed, and delivered by Thomas Bannatyne Gillies, Postmaster-General of the Colony of New Zealand in the presence of

JOHN RICHMOND,  
Clerk, Dunedin.

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### No. 24.

#### NOTICE TO I.C.R.M. COMPANY, TERMINATING CONTRACT.

To the Inter-colonial Royal Mail Steam Packet Company, (Limited), &c., &c., &c.

In pursuance of the provisions of the Contract of 28th May, 1858, made between Zachariah Charles Pearson and James Coleman 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, for the Inter-colonial and Inter-provincial Mail Steam Services of New Zealand, and of the delegation of powers in pursuance thereof, I Sir George Grey, Governor of New Zealand, do hereby give you notice that the said contract shall terminate at the expiration of the first seven years thereof, that is to say, on the 1st day of November, 1865.

Given under my hand at the Government House, at Auckland, this 30th day of September, in the year of our Lord, one thousand eight hundred and sixty-four.

G. GREY.

By His Excellency's Command,  
THOMAS B. GILLIES,  
Postmaster-General of New Zealand.

The Contract between the Lords Commissioners of the Admiralty and the Inter-colonial Royal Mail Company is printed in the Appendix to the Journals of the House of Representatives for 1860, D.—No. 1., fol. 29.

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## CORRESPONDENCE RESPECTING ESTABLISHING A STEAM SERVICE BETWEEN VICTORIA AND AUCKLAND.

### No. 25.

Chamber of Commerce,  
Auckland, 30th June 1864.

SIR,—

I have the honor to enclose copy of Resolutions passed at a special meeting of the Chamber of Commerce on Tuesday last, convened for the purpose of taking into consideration the subsidizing a steamer between Auckland and Victoria.

I have, &c.,

J. A. GILFILLAN,  
Chairman.

The Hon. the Postmaster General,  
of New Zealand.

## Enclosure to No. 25.

Copy of Resolutions passed at a Meeting of the Chamber of Commerce 28th June 1864.

That this Chamber recognises the importance of direct Mail Steam Communication between Victoria and the Province of Auckland.

That with a view to carrying out the foregoing resolution: This Chamber recommends.—

1st, The substitution of the Port of Melbourne for the Port of Sydney, and the Port of Manukau for the Port of Auckland.

2nd, That the Mail steamer leave Melbourne on or about the 10th of each month, and return in time to meet the homeward Mail which leaves Melbourne on the 20th of the same month.

3rd, That as the advantages will be mutual this Chamber recommends, that the amount of subsidy be paid in equal proportions, by the Government of Victoria and the Government of the Province of Auckland.

4th,—That a copy of the foregoing resolution be transmitted to the Hon. the Postmaster General of New Zealand, and to the Secretary of the Chamber of Commerce Melbourne.

## No. 26.

General Post Office,  
Auckland, 4th July 1864.

SIR,—

I have the honor to acknowledge the receipt of your letter of the 30th ult. covering a copy of Resolutions passed by the Auckland Chamber of Commerce, at a meeting convened for the purpose of considering the desirability of subsidizing a steamer between Auckland and Victoria. I am directed by Mr. Whitaker in the absence of the Postmaster General, to request you to be good enough to inform him of the purpose for which the Resolutions were forwarded to this Department,

I have, &c.,

G. ELLIOTT ELLIOTT,  
Secretary.

The Chairman of the Chamber of Commerce,  
Auckland.

## No. 27.

Chamber of Commerce,  
Auckland, 20th August 1864.

SIR,—

I am requested to acknowledge the receipt of your letter of the 4th July last.

I have, &c.,

J. W. HARBOP,  
Secretary

G. Elliott Elliott Esq. &c., &c.

## No. 28.

Victoria, Chief Secretary's Office,  
Melbourne, 26th September 1864.

SIR,—

The subject of direct Steam Postal communication to and from this Port and Auckland and the Northern Provinces of New Zealand, has for some time past occupied the attention of the Government of this Colony, and the necessity for securing the rapid and regular transmission of the Mails between the places named, was on a recent occasion forcibly urged by the Melbourne Chamber of Commerce, through a deputation of gentlemen from that body who waited upon me with reference to this important matter, and who were informed that this Government would be disposed to consider favorably, and to lend their aid to any scheme for establishing regular and permanent Mail communication by steamers between Melbourne and the places in New Zealand before mentioned.

The object of this communication is therefore to invite the cooperation of the Government of New Zealand in an endeavour to establish a line of Mail Steam Packets between the Northern Island and Victoria; and to submit that this object would be best attained by an alteration in the arrangements of the Intercolonial (New Zealand) Royal Mail Steam Vessels by which Melbourne would be made the Port of departure and arrival for the steamers employed in the conveyance of the monthly English Mails to and from the Northern Provinces of New Zealand.

It may be fairly estimated that the time that would be saved by this change in connection with the inward and outward English Mails, would be at last equal to the duration of the voyage to and from Melbourne and Sydney.

It is consequently assumed, that if the details could be satisfactorily arranged, no doubt need be apprehended of your concurrence in this proposal, and as such details are of greater importance to New Zealand than to this Colony, it is suggested that your Government should open negotiations with the Imperial Authorities with the view of ascertaining if such a change could be effected.

I have &c.

JAMES McCULLOUGH.

The Hon. the Colonial Secretary,  
New Zealand.

### No. 29.

Dunedin, 14th November, 1864.

SIR,—

I have the honor to acknowledge the receipt of your letter of 26th September to the Colonial Secretary, which has been forwarded to me for reply. The Government of New Zealand are fully alive to the advantages which would attend the having direct steam communication between Melbourne and Auckland, and have had under consideration the possibility of effecting that object by a change in the Inter-colonial Company's route. In present circumstances however the Government would not feel justified in taking any active steps in the matter, as notice of the termination of the Inter-colonial Company's Contract has been given, and the whole question of Steam Postal Service will require to be dealt with in a comprehensive manner at the ensuing meeting of the General Assembly. Your communication will be laid before the Assembly and any steps in the direction desired by you which may be taken will be intimated to you in due course.

I have, &c.,

THOMAS B. GILLIES,  
Postmaster-General.

The Hon. the Chief Secretary,  
Victoria.

## CORRESPONDENCE RESPECTING ESTABLISHING A STEAM SERVICE BETWEEN VICTORIA AND SOUTHERN PORTS, VIA COOK'S STRAITS.

### No. 30.

Superintendent's Office,  
Nelson, June 22nd, 1864.

SIR,—

You are doubtless aware that a line of Steamers of a large class has been established between Melbourne and the Southern Ports by way of Cook's Straits, which steamers leave Melbourne shortly after the arrival of the European mails. The recent improvements in the Inter-provincial service of the Colony have had the unfortunate result of keeping back the Nelson mails a week longer than before the change—whilst if the Government were to avail themselves of the new line, the mails might be delivered three days earlier than they have been lately. The "Albion," one of the steamers in question, arrived here on the 20th having left the mail in Melbourne to reach this place by the circuitous route of Sydney and Auckland on the 30th. I have the honor to request that you will take such steps as may be possible to remove the present inconvenience which places Nelson in the worst position of any port of New Zealand.

I have, &c.,

J. P. ROBINSON,  
Superintendent.

The Hon. the Colonial Secretary,  
Auckland.

### No. 31.

Colonial Secretary's Office,  
Auckland, 2nd July. 1864.

SIR,—

I have to acknowledge the receipt of your Honor's letter of the 22nd ultimo, referring to the establishment of a line of steamers between Melbourne and the Southern Ports of New Zealand, by way of Cook's Straits, and requesting that steps may be taken to remedy the inconvenience from which Nelson suffers at present in the receipt of mails.

I shall feel obliged if your Honor would inform the General Government upon what terms the steamers referred to are running between Melbourne and Cook's Straits, and whether they are subsidized by the Provincial Government, and therefore willing to carry the mails, and further if your Honor is aware on what terms they would perform such service.

## PAPERS RELATING TO THE

Will your Honor be also good enough to state whether the unfortunate loss of the steamer "Scotia" will interfere with the continuation of this steam service.

His Honor the Superintendent,  
Nelson.

I have, &c.,

FREDK. WHITAKER,  
In the absence of Mr. Fox.

## No. 32.

SIR,—

Superintendent's Office,  
Nelson, Sept. 12th, 1864.

In reference to a letter from your office, of the 2nd July last, asking me upon what terms the steamers running between Melbourne and Cook's Straits are doing that service and whether they are subsidized by the Provincial Government—I have the honor to enclose a copy of a letter from the agents of the Company to which they belong, from which you will learn the position and prospects of the service.

I would most respectfully urge again upon his Excellency's Government the fact that Nelson is at this moment the least favoured port in New Zealand as regards her mail service, and the English mail whilst arriving somewhat later and leaving a little earlier than formerly, has been during the last three or four months not so certain in its dates of arrival and departure as could be wished, and as people have now learned to expect. I trust therefore that his Excellency's Government may think right to give such encouragement to the valuable service in question as may not only prevent the mail service from retrograding, but secure the great advantage described in the enclosed letter to all the settlements on and near Cook's Straits.

I have, &c.,

J. P. ROBINSON,  
Superintendent.

The Hon. the Colonial Secretary.

## Enclosure to No. 32.

Nelson, 6th September, 1864.

SIR,—

We have been requested by the Directors of the Otago Steam Ship Company, to address your Honor on the following subject:—

You are no doubt aware that the above Company some time back commenced regular steam communication between Melbourne and Cook's Straits with their steamers the "Albion" and "Scotia," and that the service was suddenly interrupted by the loss of the latter vessel. It is now proposed by the Company to run the fine steamer "Hero" in conjunction with the "Albion" once a month between Melbourne, Nelson, and Wellington, via Otago back to Melbourne, and once a month the reverse way, leaving Nelson on the 18th of each month for Melbourne direct, so as to arrive at the latter port in time to tranship mails on board the P. and O. Company's steamer on the 26th, and leaving Melbourne for Nelson direct on the 10th, or immediately on the arrival of the English mail, by this means the Province of Nelson would have the course of post reduced from five to four months.

To give the above steam service a chance of success the Company find that it is necessary they should receive a subsidy, and the Provincial Government of Wellington have already agreed to pay the sum of £400 per month, and we have now to ask your Honor if your Government will grant a bonus equivalent to the great advantage which Nelson will receive from Nelson being the first port of call, and the last of departure of the above steamers, and of having her postal facilities so greatly improved.

One of our firm will wait upon your Honor with this letter, and at the same time will have an opportunity of explaining the proposed steam service more in detail.

As we are anxious to write to the Directors of the Company at Dunedin by the steamer leaving here on the 12th instant, we should feel obliged by an answer as early as convenient.

We have, &c.,

NATHANIEL EDWARDS & Co.

His Honor the Superintendent,  
Nelson.

## No. 33.

SIR,—

Colonial Secretary's Office,  
Auckland, 17th September, 1864.

I have the honor to acknowledge the receipt of your Honor's letter No. 33 of the 12th inst., on the subject of a proposed establishment of line of steamers between Melbourne and Cook's Straits.

Your Honor transmits a copy of a letter from the agents of the Otago Steam Ship Company, requesting to be informed whether the Provincial Government of Nelson will subsidize the proposed service but the reply if any given by your Honor to that letter does not appear.

I must further observe that your Honor is in error when you state that Nelson is at this moment the least favored port in New Zealand as regards her mail service, and that the English mail arrives later and leaves earlier than formerly. Under the present arrangement the English mail leaves Nelson on the 12th of each month, whilst it leaves Napier on the 6th, Auckland on the 8th, and New Plymouth on the 9th. The English mail also, if it is true to time at Sydney, arrives at Nelson on the 21st, being earlier than in any port in New Zealand, except Invercargill and Dunedin; should the English mail be somewhat late at Sydney it arrives via Auckland, at Nelson on the 30th. It would appear therefore that Nelson receives her legitimate share of the postal advantages in comparison with those of other ports in New Zealand.

There is no doubt however that the proposed line if effectively carried out would give superior postal accommodation, but the General Government has not at its disposal funds available for the purpose of extending the present Colonial Steam Service. Moreover if the General Government determined to adopt an additional service of this kind, public tenders for it would have to be called, and arrangements would have to be made for terminating the present steam service between Sydney and Nelson. The Government could not undertake to grant fresh subsidies without the previous sanction of the General Assembly.

I have, &c.,

WILLIAM FOX.

His Honor the Superintendent,  
Nelson.

## CORRESPONDENCE RESPECTING A STEAM SERVICE FROM SINGAPORE TO SYDNEY VIA TORRES STRAITS.

No. 34.

Queensland,  
Colonial Secretary's Office,  
Brisbane, 12th September, 1864.

SIR,—

I do myself the honor to request that you will acquaint me whether the Government of New Zealand is disposed to co-operate in the establishment of a line of Mail Steamers running from Singapore to Sydney, via Torres Straits.

2. This subject, which has long been under the serious consideration of the Government of Queensland has now been again brought prominently forward by the recent determination of the Colonies of Victoria and South Australia to cause if possible the discontinuance of all communication with Western Australia by the steamers of the Peninsular and Oriental Company.

3. The Government of New South Wales is prepared to give favorable consideration to a definite proposal for the establishment of a Monthly Service via Singapore, which would appear to offer considerable advantages to New Zealand even in the event of the Panama route being also brought into use.

4. I have the honor to request you will reply to this communication at your early convenience.

I have, &c.,

ROBERT G. W. HERBERT.

The Hon. the Colonial Secretary,  
New Zealand.

No. 35.

Colonial Secretary's Office,  
Auckland, 30th Sept., 1864.

SIR,—

I have the honor to acknowledge the receipt of your letter No. 175 dated the 12th instant, enquiring whether the Government of New Zealand is disposed to co-operate in the establishment of a line of Mail Steamers running from Singapore to Sydney, via Torres Straits.

The advantages to accrue to New Zealand from the establishment of this line are not very obvious to the Colonial Government, but your communication will be submitted to the General Assembly next session when the whole subject of Steam communication with Europe is sure to be fully discussed.

I have, &c.,

WILLIAM FOX.

The Hon. Colonial Secretary,  
Queensland.

No. 36.

### CONTRACT WITH I.C.R.M. COMPANY FOR INTER-PROVINCIAL STEAM SERVICE.

Memorandum of Agreement, made this Thirty-first day of March, Eighteen hundred and sixty-four, between the Honourable the Postmaster-General of New Zealand on the one part and

the Inter-Colonial Royal Mail Company (Limited) of the other part: witnesseth, that in consideration of the mutual Covenants hereinafter contained, the said parties hereto for themselves and their respective executors, administrators, and successors, do hereby respectively covenant and agree, to and with the other of them, and their respective executors, administrators, and successors, in manner following, that is to say:

1. The Contract at present subsisting between the said parties hereto, for a Steam Postal Service along the East Coast of New Zealand, from Auckland to Otago *via* Napier, Wellington, and Lyttelton, as at present performed by the 'Lord Ashley' Steamer, is hereby cancelled and terminated.

2. From and after the date hereof and for Twelve Calendar Months then next ensuing, the said Inter-Colonial Royal Mail Company shall, with the said 'Lord Ashley' or other steamer authorised by the said Postmaster-General, perform a service monthly between Auckland and Otago *via* the East Coast of New Zealand, according to the Time Table hereunto annexed, No. 1, subject to variation of dates, as hereinafter mentioned.

3. From and after the date hereof, and for Twelve Calendar Months then next ensuing, the said Inter-Colonial Royal Mail Company shall with the 'Airedale,' or other steamer authorised by the said Postmaster-General, perform a service monthly between Manukau and the Bluff, according to the Time-Table hereunto annexed, No. 2, subject to variation of dates, as hereinafter mentioned.

4. By the aforesaid Steam Postal Services the said Company shall receive and safely carry Her Majesty's mails, and provide all necessary accommodation therefor to the satisfaction of the said Postmaster-General, and shall deliver the same over the ship's side at the respective ports of call free of any charge, other than the payments hereinafter mentioned.

5. By each of the aforesaid steamers, the said company shall, if required, provide a free cabin passage, fare, and accommodation for one person in charge of the mails, in accordance with written instructions from the said Postmaster-General.

6. The aforesaid steamers shall (weather permitting) proceed on their respective voyages from Auckland and Otago at noon, or as near thereto as the tide will permit, on the respective dates mentioned in the said time-tables hereunto annexed, or on such other dates as may be fixed, as hereinafter mentioned; and shall not on their respective voyages between the said ports exceed the time allowed by the said tables. Provided always that it shall be lawful for the said Postmaster-General, or his authorised agent, at either of the said ports, to detain without charge either of the said boats for the period of Twenty-four hours, and to detain them for such further time as he shall think proper, on payment of a bonus of Fifty Pounds (£50) per day, not exceeding three days, the said Company paying a liqueate penalty of Fifty Pounds for each day, or part of a day, they do not (weather permitting, and accidents excepted) proceed from the aforesaid ports at the times aforesaid.

7. In consideration of the punctual performance of the aforesaid services the aforesaid Postmaster-General shall, out of moneys voted by the Parliament of New Zealand, pay to the aforesaid Company the sum of Four hundred and seventy-four pounds ten shillings (£474 10s.) per month in respect of the aforesaid East Coast Service, and the sum of Five hundred and fifty-two (£552) pounds per month in respect of the aforesaid West Coast Service, on the certificate of the Secretary of the General Post Office that the said services respectively have been duly performed.

8. The said Postmaster-General shall be at liberty on reasonable notice to alter the dates of sailing mentioned in the said Time Tables hereunto annexed, provided such alteration does not interfere with the correspondence between the dates of the said West Coast Service and the dates of arrival and departure of the said Company's intercolonial steamer at Nelson, and that such alteration does not, without consent of the Company, shorten the times of remaining at the several intermediate ports of New Zealand respectively.

9. Should a steam service between Panama and New Zealand, under contract between the said parties hereto, be brought into operation before the expiry of the twelve months herein mentioned, this contract shall, upon the commencement of such Panama service, cease and determine; but otherwise shall continue in force until terminated by two months' notice by either of the said parties hereto. Provided that it shall not be terminated by such notice sooner than the aforesaid period of twelve months, such notice to be delivered at the offices in Auckland of the respective parties hereto.

In witness whereof the said parties to these presents have hereunto set their hands the day, month, and year, first above written.

THOMAS B. GILLIES.

JOHN VINE HALL.

Signed by Thomas Bannatyne Gillies, Postmaster-General of New Zealand for the time being, in the presence of

G. ELIOTT ELIOTT,

Secretary General Post Office.

Signed by John Vine Hall, General Manager of the Intercolonial Royal Mail Company for and on behalf of the said Company, in presence of

HENRY LAWSON,

Sub-Manager, Chief Accountant I.R.M.C.

### No. 37.

#### CONTRACT WITH N.Z.S.N. COMPANY FOR INTER-PROVINCIAL STEAM SERVICES.

Memorandum of Agreement made this thirty-first day of March, eighteen hundred and sixty-four, between the Honorable the Postmaster-General of New Zealand, of the one part, and the New Zealand Steam Navigation Company (Limited) of the other part. Witnesseth that in consideration of the mutual covenants hereinafter contained, the said parties hereto for themselves and their respective ex-

executors, administrators and successors, do hereby respectively covenant and agree to and with the other of them and their respective executors, administrators, and successors, in manner following, that is to say,—

1. All other contracts at present subsisting between the said parties hereto for the steam postal services are hereby cancelled and terminated, save and except the service between Wellington, Wanganui, Taranaki, Raglan, and Manukau, which will cease and determine on the 31st day of May, 1864.

2. From and after the date hereof, and for twelve calendar months thence next ensuing, the said New Zealand Steam Navigation Company shall, with two of the after-mentioned steamers, viz., 'Wellington,' 'Lady Bird,' 'Queen,' or other steamers authorised by the said Postmaster-General, perform two services monthly between Auckland and Otago *via* the East coast of New Zealand, leaving Auckland on the 13th and 23rd of each month, and leaving Otago on the 10th and 30th of each month, according to Time Tables, Nos. 1 and 2, hereunto annexed, subject to variation of dates as hereinafter mentioned.

3. From and after the date hereof, and for twelve calendar months thence next ensuing, the said New Zealand Steam Navigation Company shall, with one of the afore-mentioned steamers, or other steamer authorised by the Postmaster-General, perform a service monthly between Manukau and the Bluff, leaving Manukau on the 18th and the Bluff on the 2nd of each month, according to Time Table No. 3, hereunto annexed, subject to variation of dates as hereinafter mentioned.

4. By the aforesaid steam postal services, the said Company shall receive and safely carry Her Majesty's mails, and provide all necessary accommodation therefor, to the satisfaction of the said Postmaster-General, and shall deliver the same over the ship's side at the respective ports of call free of charge, other than the payments hereinafter mentioned.

5. By each of the aforesaid steamers the said Company shall, if required, provide a free cabin passage, fare, and accommodation, for one person in charge of the mails, in accordance with written instructions from the said Postmaster-General.

6. The aforesaid steamers shall (weather permitting) proceed on their respective voyages from Auckland and Otago at noon, or as near thereto as the tide will permit on the respective dates mentioned in the said Time Tables hereunto annexed, or on such other dates as may be fixed as hereinafter mentioned, and shall not, in their respective voyages between the said ports, exceed the time allowed by the said Tables. Provided always that it shall be lawful for the said Postmaster-General, or his authorised agent at either of the said ports, to detain without charge either of the said boats for the period of twenty-four hours, and to detain them for such further time as he shall think proper on payment of a bonus of fifty pounds (£50) per day, not exceeding three days, the said Company paying a liquidate penalty of fifty pounds (£50) for each day, or part of a day, they do not (weather permitting and accidents excepted) proceed from the aforesaid ports at the times appointed.

7. In consideration of the punctual performance of the aforesaid services, the aforesaid Postmaster-General shall, out of moneys voted by the Parliament of New Zealand, pay to the aforesaid Company the sum of three hundred and seventy-two pounds ten shillings (£372 10s.) per month for each of the aforesaid services, or One thousand one hundred and seventeen pounds ten shillings (£1117 10s.) per month for the three services, on the certificate of the Secretary of the General Post Office that the said services respectively have been duly performed.

8. The said Postmaster-General shall be at liberty, on reasonable notice, to alter the dates of sailing mentioned in the said Time Tables hereunto annexed, provided such alteration does not, without consent of the Company, shorten the times of remaining at the several intermediate ports of New Zealand respectively.

9. This contract shall continue in force until terminated by two month's notice by either of the said parties hereto, provided that it shall not be terminated by such notice sooner than the aforesaid period of twelve months—such notices to be delivered at the offices in Auckland of the respective parties hereto.

In witness whereof the said parties to these presents have hereunto set their hands the day, month, and year first above written.

THOMAS B. GILLIES :  
R. J. DUNCAN.

Signed by Thomas Bannatyne Gillies, Postmaster-General of New Zealand for the time being, in presence of

G. ELLIOTT ELLIOTT, Sec. G. P. O.

Signed by Richard John Duncan, Manager of the New Zealand Steam Navigation Company (Limited), for and on behalf of the said Company, in presence of

S. CARROLL,  
Secretary to the Wellington Chamber of Commerce.

