

spirit of moderation which led to the acceptance of those modifications which had been pronounced by the Houses of the Legislature to be necessary. It appeared at once that after due allowance for decreased expenditure on the Anglo-Australian (or Suez) line had been made, there still remained a balance of excessive expenditure which would require to be provided before the Agent's proposal could be entertained. The question then arose whether the negotiations should lapse, or the resolutions of the Provincial Governments of Canterbury and Wellington guaranteeing certain payments in aid, if necessary, should be acted upon. Considering the probably injurious consequences to the Colony if the negotiations should fail—relying upon the strongly expressed resolutions above referred to, strengthened by the handsome proposal of the Wellington Government to pay nearly the whole amount needed, under the terms of the resolutions, if actually necessary—and emboldened by the prospect of the co-operation of New South Wales, the Government did not hesitate to close with the offer made, and the preliminary contract was at once entered into, and the necessary communication made to the Company in England. The next step was to secure the services of an agent to visit the Australian Colonies and confer with the different Governments, and it was decided to seek the services of Dr. Featherston, the Superintendent of Wellington, who, regardless of the serious inconveniences resulting to himself, and anticipating the hearty concurrence of the Province, placed his services at their disposal.

The anticipations of the Government in securing so able an advocate have been fully realized, and to his judicious, earnest, able, and persevering advocacy, met in a spirit worthy of so great an undertaking by the Government and Legislature of New South Wales, we owe the realization of those hopes which are so full of promise for the future of New Zealand. The negotiations, so ably opened by Mr. Crosbie Ward and so earnestly and untiringly promoted by him, have now terminated, and in February or March next the Colony may hope to see the first steamer at anchor in the harbor of Port Nicholson, bringing the first English mail, *via* Panama, to the Seat of Government, at Wellington, and onwards to Sydney, in New South Wales. The monthly communication each way will bring and deliver the mail within four months course of post between Southampton and Sydney, costing each of the contracting parties the sum of £55,000, exclusive of Isthmus transport expenses.

Passengers pay 25 dollars for passage across the Isthmus, with 50 lbs. of luggage free, and are charged 5 cents per lb. for excess of that weight. Mails are charged 22 cents per lb.

Passengers, cargo, and mails pay moderate charges for lighterage and wharfage at Colon. At Panama a lighterage of two miles is necessary.

J. RICHARDSON,

Postmaster General.

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ERRATUM.—Page 4, D.—No. 1,—For Contribution to Suez Line, £17,071 12s., read £16,771 12s.