D.-No. 1. A. 16 FURTHER PAPERS RELATIVE TO PANAMA MAIL SERVICE.

sion of the Electric Telegraph to Point de Galle, by which the United Kingdom and Australia are brought, with the aid of steam power, within eighteen or twenty days of each other and the ascertained reliable nature of the service performed by the existing Mail line, afford irresistable arguments in favor of the Suez and Red Sea route.

It is believed that the valuable freight in specie and bullion now carried by the Mail Steamers from this Port to India and the East will have the effect of reducing very materially the amount to be paid on account of any new contract that may be entered into for a branch to Australia from the India or China line of Steamers, and it is confidently expected that regular fortnightly Steam Postal Communication with the United Kingdom and the Eastern settlements can be secured for Melbourne at a cost certainly not exceeding that which would be required to be paid for participation in the experimental service proposed in your Minute above mentioned.

I have, &c.,

JAMES McCulloch.

His Honor I. E, Featherston, M. D.,

Superintendent of the Province of Wellington,

New Zealand.

No. 25.

Wellington, May 13th, 1865.

SIR,-

I have the honor to enclose you a copy of the Hon. Mr. McCulloch's reply to my proposal that Victoria should join New South Wales and New Zealand in the Panama Contract.

Although Mr. McCulloch declines for the reasons stated to give, for the present, at any rate, any promise of support to the Panama Line, I am still not without hope that the Government of Victoria will ultimately agree to the proposal for constituting the Suez and Panama lines one aggregate service.

I trust I may be permitted to tender you my sincere thanks for the liberal spirit in which you met me, and especially for the personal kindness I received from yourself and all the members of your Government.

I have, &c.,

I. E. FEATHERSTON.

The Honorable Charles Cowper,

Colonial Secretary, New South Wales.

No. 26.

Colonial Secretary's Office,

Wellington, 10th June, 1865.

Sir,-

I have to acknowledge the receipt of your letter of the 1st instant, reporting your proceedings in fulfilment of your mission to the Australian Colonies in connection with the Panama Postal Steam Service.

The Government has to express its acknowledgement of the zeal and ability with which you have so effectually discharged the duties entrusted to you.

The Honorable the Postmaster General would be glad to communicate with you personally, with a view to further information on some details of the arrangement.

I have, &c.,

FRED. A. WELD.

His Honor the Superintendent,

Wellington.

No. 27.

Superintendent's Office,

Wellington, 13th June, 1865.

SIR -

I accept with much pleasure your acknowledgement of my services in Australia.

I have, &c.,

I. E. FEATHERSTON.

The Honorable F. A. Weld,

Colonial Secretary.