No. 27.

Copy of a Letter from the Hon. E. W. Stafford to the Hon. H. Parkes.

(245)SIR,-

Colonial Secretary's Office, Wellington, 23rd July, 1866.

I have the honor to acknowledge the receipt of your letter, No. 6651, of the 15th ultimo, on the subject of the Draft Contract for the Panama Steam Postal Service, and stating that by the next mail leaving Sydney, Articles of Agreement between the Governments of New Zealand and New South Wales, in respect to this service, prepared by the Law Officers of the Crown in New South Wales, would be forwarded for the approval of this Government.

It is a matter of disappointment to this Government that these Articles of Agreement have not yet been received, and I trust that no unnecessary delay will be incurred in their preparation and transmission to this Colony, as it is important that some definite agreement should be arrived at, especially as payments on account of the service will now be falling due monthly. The contract with the Panama Company should also be executed as soon as practicable, as the Company are applying to

this Government to have it sent to London for signature by the Directors there.

I enclose for your consideration copies of the correspondence noted in the margin, with the Government of Victoria, respecting a mail forwarded last month from that Colony for the Panama route, and the amount of additional postage which should be charged thereon, I should feel obliged if you would favor me with the views of the New South Wales Government on the question raised therein, in order that those Australian Colonies which have not as yet agreed to contribute to the Panama Steam Postal Service may be definitely informed on what conditions alone their mails will be forwarded by that line.

I perceive that in your letter now under acknowledgment, you express an opinion that all mails via Panama, made up in Australian Colonies not contributing to the subsidy, should be forwarded for shipment on the mail steamer at the port of Sydney, and should not be received at any port in New I shall be glad to be informed of the particular reasons on which this opinion is founded, as it appears to this Government a matter of indifference at what port such mails are put on board a Panama Mail steamer, so long as a sufficient amount is paid on account of the letters and newspapers contained in them, and that amount is divided between the Colonies of New South Wales and New Zealand.

It was on this view of the case, and in order to save the public inconvenience which would have been caused by the rejection of the mail sent in good faith from Victoria, and subject to such additional rate as may be determined on, that this Government allowed the mail to be forwarded to its destination. But with respect to the future it is necessary that a different arrangement be come to with those Colonies which are not yet parties to the Panama Mail Service, with a view of requiring them either to make a fixed contribution to the service (which would be the best arrangement) or of charging a sufficient additional postage, or of refusing to allow their mail to be conveyed by that service.

The Hon. the Colonial Secretary,

New South Wales.

I have, &c., E. W. Stafford.

## Enclosure 1 in No. 27.

Copy of a Letter from the Hon. J. McCullocii to the Hon. E. W. Stafford.

Chief Secretary's Office, Melbourne, 12th June, 1866. SIR.-I have the honor to request that you will be good enough to inform me whether any arrangement can be made under which letters and newspapers, posted in this Colony for transmission by the Panama line of steamers, can be forwarded to destination via Wellington, New Zealand.

Of course it is expected that any such arrangement would provide for the collection and accounting for to your Colony of such additional postage as may be determined on by your Government, and I should feel obliged if you would, in the event of the proposition being favorably entertained, cause me to be furnished with a scale of charges on letters, packets, and newspapers posted in Victoria, addressed to places for which mails may be made up at the Post Office, Wellington, for despatch by the Panama route.

Letters and newspapers for transmission via Panama by this opportunity, which have been posted with only the ordinary rates of postage affixed, will be forwarded by the steamer "Tararua," which sails from this port to-morrow, and it is requested that in order to save disappointment, these may, if practicable, be sent forward and the deficient postage charged on delivery.

The Hon. the Colonial Secretary Wellington, New Zealand. I have, &c., JAMES McCulloch, Chief Secretary.

Enclosure 2 in No. 27.

Copy of a Letter from the Hon. E. W. STAFFORD to the Hon. J. McCulloch. (247)

Colonial Secretary's Office, Wellington, 23rd July, 1866. I have the honor to acknowledge the receipt of your letter of the 12th ultimo, requesting that you may be informed whether any arrangement can be made under which letters and newspapers posted in Victoria can be forwarded via Wellington by the Panama line of steamers, and stating that a mail by that route is forwarded in the steamer "Tararua."

In reply, I have to state that the question of the conveyance of the mails for any Colonies which have not as yet agreed to contribute towards the cost of the Panama Mail Service is at present under the consideration of the Government of New South Wales and of this Colony, and that a further communication will be made to you on the subject as soon as that question is determined.