

FURTHER PAPERS RELATIVE TO

The four-weekly service appears to cost, as near as can be estimated, as follows:—

P. and O. subsidy	...	...	...	...	...	£130,000
Extra charges for mail agents, mail boxes, special packets, Egyptian transit, &c.	...	...	...	...	...	12,385
Expenses, Southampton to Galle	...	...	...	...	...	17,810
Total cost	...	...	...	...	...	£160,195
Contribution by the Home Government	...	...	...	...	...	70,972
Annual charge to the Colonies	...	...	...	...	...	£89,223

The following will be the probable cost of the proposed bi-weekly service:—

Four-weekly service as above	...	...	...	...	...	£160,195
P. and O. additional subsidy	...	...	...	...	...	54,166
The extras as above would not be increased in the same proportion; but putting them at nearly double they would be	...	...	...	...	...	30,000
Total charge for fortnightly mail	...	...	...	...	...	£244,351
Imperial contribution <i>pro rata</i>	...	...	...	...	...	104,027
Leaving the total annual cost to the whole of the Colonies	...	...	...	...	...	£140,324

(This, however, is exclusive of the branch services.) Assuming that this amount were divided in the proportions proposed by the Postal Conference, the annual cost to this Colony of the twenty-six mails each way would be about £35,270, which is only between four and five thousand more than the amount now being paid for the four-weekly service (something over £31,000). If, however, the bi-weekly service were divided according to the present scale, it would cost this Colony about £49,000; but this has been admitted to be an inequitable arrangement, and it can scarcely be doubted that the other Colonies would agree to a new apportionment.

The Chamber do not ignore the fact that the respective Governments of New South Wales and South Australia had given notice of their intention to withdraw from the late contract; but there is, it is presumed, little probability that under existing circumstances they will give effect to such notice.

The Committee believe that the time has now arrived for the Colony to avail itself of the provisions of the contract with the P. and O. Company, which enable the Australian Governments, through the Postmaster-General, to give notice to the Company to provide for the conveyance of the mails to and from these Colonies fortnightly; and they respectfully suggest that the preliminary steps should at once be taken for effecting that object.

I have, &c.,
B. COWDEROY,
Secretary.

To the Hon. the Chief Secretary.

No. 40.

Copy of a Letter from Mr. G. ELIOTT ELIOTT to the GENERAL MANAGER, P.N.Z. and A.R.M. Co.
SIR,—
General Post Office, Wellington, 23rd July, 1868.

I am directed to forward to you the accompanying copy of a letter from the Hon. the Colonial Secretary of New South Wales, on the subject of the steam postal service between Great Britain and the Australasian Colonies *via* Panama.

You will observe that this letter proposes that the port of the Bay of Islands should be substituted for that of Wellington, as the port of arrival in New Zealand for the mail steamers bound from Panama to Sydney, it having been represented that this change would reduce the length of the voyage by at least two days, and by so doing render the Pacific Steam Mail Service of greatly increased advantage, especially to the Colonies of New South Wales and Queensland.

The Postmaster-General would be glad for an expression of your opinion as to whether this impression is correct, and also whether your Company would consent to this proposed change, and if so whether they would require any increased subsidy for so doing, and the amount they would probably demand.

I have, &c.,
G. ELIOTT ELIOTT,
Secretary.

The General Manager, P.N.Z. and A.R.M. Co.,
Wellington.

No. 41.

Copy of a Letter from the GENERAL MANAGER P.N.Z. and A.R.M. Co. to the Hon. JOHN HALL.
SIR,—
P.N.Z. and A.R.M. Co., Wellington, 30th July, 1868.

I beg to acknowledge the receipt of your letter of the 23rd instant, covering copy of a despatch from the Hon. the Colonial Secretary of New South Wales referring to the Panama Mail Service.

In reply I desire to state that the alleged saving of at least two days on the voyage from Panama to Sydney appears to me highly problematical, although I am not prepared to say some portion of it may not be saved. Seeing, however, that the contract names Wellington as the port of call, and we have expended large sums of money to work the service in accordance with its provisions, I am unable, without reference to my Directors in London, to reply to that part of your letter inquiring on what terms we could agree to the change in port of call in New Zealand.

I have, &c.,
H. B. BENSON,
General Manager.

The Hon. the Postmaster-General,
Wellington.