

No. 11.

Copy of a Letter from the UNDER SECRETARY to JOHN MORRISON, Esq., London.

Colonial Secretary's Office,
Wellington, 8th July, 1868.

SIR,—

I have the honor, by direction of Mr. Stafford, to transmit to you the accompanying duplicate copies of the Panama Mail Contract, under the hand of His Excellency the Governor and the seal of the Colony. I am to request you to be good enough to deliver one copy to the Directors of the Panama New Zealand and Australian Royal Mail Company, on receipt of the other copy duly executed by them. Two printed copies of the Contract are also forwarded for their use.

I have, &c.,

John Morrison, Esq.,
3, Adelaide Place, King William Street, London.

W. GISBORNE,
Under Secretary.

No. 12.

Copy of a Letter from the Hon. E. W. STAFFORD to the COLONIAL SECRETARY, New South Wales.

Colonial Secretary's Office,
Wellington, 22nd June, 1868.

SIR.—

At the request of the Postmaster-General, I have the honor to transmit for the consideration of the Government of New South Wales, a copy of a Memorandum which he has drawn up on the subject of the payment made by the Colonies not contributing to the cost of the Panama Mail Service, for the transmission of their mails by the steamers of that service, and to suggest that the Government of New South Wales should communicate with the Victorian Government, with a view to some more equitable arrangements for the settlement of the matter in question.

I have, &c.,

The Hon. Colonial Secretary, New South Wales.

E. W. STAFFORD.

Enclosure in No. 12.

MEMORANDUM by the Hon. JOHN HALL.

I THINK the attention of the Government of New South Wales should be invited to the subject of the payment made by the Colonies not contributing to the cost of the Panama Mail Service for the transmission of their mails by the steamers of that service. The present payment is twenty shillings per pound on the gross weight of such mails, and includes the cost of transit across the Isthmus of Panama. This rate was fixed in March, 1867, at the instance of the Government of New South Wales, by whom it was doubtless assumed that, taking as a basis of calculation the average weight of the mails, carried previous to that time by the Panama steamers for the non-contracting Colonies, this rate of twenty-shillings per pound would amount to a contribution somewhat adequate to the advantages which those Colonies derive from the service. It will be seen by a return, forwarded herewith, of the weight of the mails during the past six months *via* Panama to and from the Colonies of Victoria, Tasmania, South Australia, and Western Australia, that this anticipation has not been realized. The total payment by Victoria for mails from that Colony to America and the United Kingdom is, according to this return, at the rate of two hundred and sixty-eight pounds (£268) per annum; and for mails to Victoria, at the rate of one thousand eight hundred pounds (£1,800) per annum; or according to the weight of the last mail received, at the rate of one thousand and forty-four pounds (£1,044). From Tasmania the total contribution for mails both ways amount to two hundred and seventy pounds (£270) per annum. The Queensland contribution I am unable to state, as the mails for that Colony are enclosed in those for Sydney. In the case of Victoria it seems probable that the small sum payable for the mails from Melbourne is attributable to the fact that newspapers are now excluded, by the Melbourne Post Office, from these mails; if so, the rate of charge which was fixed for a gross weight of letters and newspapers is evidently no longer sufficient. Independently of this consideration however it is, I think, undeniable that a total payment of two thousand pounds (£2,000) per annum is not a reasonable contribution from the Colony of Victoria to the cost of an important and expensive Mail Service, from which she derives very considerable postal and other advantages, and if this be admitted I think a further effort should be made to place this matter upon a more fair and reasonable footing.

Previous negotiations with the Australian Colonies have been principally conducted by the Government of New South Wales, which is probably better informed than this Government can be of the probability of any modification of the present arrangement being attainable, as well as of the steps which it may be advisable to take with a view of bringing about such a result. I shall be glad therefore, if the attention of the New South Wales Government be called to this question, and the desirability of further negotiation with the Victorian Government be suggested. The present time seems favourable for this purpose, as the new Time Table for the Suez Mails appears to create much dissatisfaction in Victoria, and the advantages of a regular monthly communication *via* Panama will probably be more appreciated now than it has hitherto been. Should, however, the Victorian Government absolutely refuse to furnish a more adequate contribution to the cost of the Panama Mail Service than is now made, it should, I think, be stated that in the opinion of the New Zealand Government, correspondence to or from Victoria should not be carried by that service at all.

JOHN HALL.