

Recoveries from the Imperial Post Office,—

	£	s.	d.	£	s.	d.
On Letters	8,144	0	0			
On Books	1,201	8	4			
On Newspapers	1,509	11	6			
	<hr/>			10,854	19	10
Net cost of main line				£13,643	12	6
Add cost of branch service				5,000	0	0
	<hr/>					
Total net cost				£18,643	12	6

The amount of recoveries has been calculated on the assumption that the London Office would continue to credit the Colonies with 1s. 4d. per oz. on letters, 1s. 1d. per lb. on book-packets, and 3d. per lb. on newspapers, as their share of the postage on correspondence originating in Great Britain, as was the case during the existence of the Panama Service. This leaves for Inland British Postage 3½d. per oz. on letters, 5½d. per lb. on book-packets, and 3d. per lb. on newspapers.

The recoveries from London will be subject to deductions on account of transit charges for conveying outward mails by the Brindisi route; but as these charges are provided for by the additional postages collected on correspondence sent by that route, the probable payments have not been taken into account in the foregoing statement.

If the Melbourne Government agree to the adoption of this proposed basis of payment, it would be only necessary to ascertain whether the London Office would revert to the system in operation during the existence of the Panama Mail Service.

It would be almost impossible to give effect to the request made by the Melbourne Post Office, that a way-bill, showing the contents in each mail, should be forwarded with all mails from this Colony. This would compel every despatching office to send to Melbourne a statement of the correspondence contained in each mail. It is suggested that this office deal with the matter, transmitting monthly a statement of the correspondence despatched to Melbourne for transmission *via* Galle during the previous month, together with a statement of the correspondence received by the inward mails. This would not prevent settlements being made quarterly.

9th September, 1873.

W. GRAY.

By Authority : GEORGE DIBSBURY, Government Printer, Wellington.

Price 6d.]