11 F.—3.

your Government concurs, the necessary action in regard to the preparation of the formal agreement and bond to be executed by the Pacific Mail Steamship Company and the respective Governments concerned will be undertaken by the Post-Office Department of this colony.

I have, &c.,

ALEX. STUART.

P.S.—I also send you a copy of an official communication from the Agents of the Pacific Mail Company, conveying the telegraphic acceptance of the company to the terms which sets t rest your doubts as to their agreeing to the increased speed demanded.—A. S.

The Hon. the Colonial Secretary, Wellington.

Enclosure 1 in No. 30.

MR. WRIGHT moved,-

1. That, subject to the Imperial Government agreeing to continue to convey the mails to San Francisco as heretofore, the contract between the Colonies of New South Wales and New Zealand with the Pacific Mail Company be extended for a period not exceeding two years from the expiry of the present contract in November next, at an annual subsidy not exceeding £50,000, of which the portion falling upon this colony shall not exceed £18,750, and subject to the following conditions, namely: That it shall be optional for this colony to withdraw from such extended contract at the end of twelve months, on giving three months' previous notice, in the event of the Pacific Mail Company not having obtained from the United States Government, or from other sources, a contribution equal to one-third of the total annual subsidy for such extended contract, and in diminution of the subsidy. That the service shall be performed with the acceleration upon the present contract-time of at least twenty-four hours on each voyage to and from Sydney and San Francisco during the first year, and during the second year at least forty-eight hours, subject to the same terms, conditions, premiums, and penalties as herctofore; with this exception, that the company be relieved from keeping a fourth steamer, but that such shall not absolve them from the penalties of any failure.

2. That the foregoing resolutions be transmitted by address to His Excellency the Governor.

Enclosure 2 in No. 30.

Messrs. Gilchrist, Watt, and Co. to the Hon. the Postmaster-General, Sydney.

Sydney, 9th May, 1883.

We have the honour to advise that we transmitted to the Pacific Mail Steamship Company, New York, the following cablegram: "Parliament approve renewal three steamers fifty thousand pounds one year certain, shortening schedule twenty-four hours. Terminable thereafter America declining. Second year shortening schedule forty-eight." To which we have received reply: "Your proposition is accepted, three steamers fifty thousand pounds one year certain, shortening schedule twenty-four hours. Terminable thereafter America declining. Second year shortening schedule forty-eight." We do not notify New Zealand Government, as our negotiations have been with this Government only, but will notify them if you authorize us to do so.

We have, &c.,

GILCHRIST, WATT, AND Co., General Agents for the Contractors, San Francisco Mail Service.

The Hon. the Postmaster-General, Sydney.

No. 31.

The Hon. Mr. Dick to the Hon. the Colonial Secretary, Sydney.

Colonial Secretary's Office, Wellington, 4th June, 1883.

I have the honour to acknowledge the receipt of your letter of the 15th ultimo, enclosing copy of a resolution adopted by the Legislative Assembly of New South Wales regarding the extension of the San Francisco mail service, and to inform you that this Government will be glad to leave the preparation of the formal agreement and bond to the Post-Office Department of your colony.

I have, &c.

The Hon. the Colonial Secretary, New South Wales.

Colonial Secretary.

THOMAS DICK,

No. 32.

The Hon. the Premier to the Agent-General.

Wellington, 30th May, 1883.

Agreed to-day New South Wales for preparing deed renewing Fr'isco contract two years, terminable one year should American Government decline contribute.

F. WHITAKER.