

As regards the nature of penalty, seeing that fully one-half of the present payment would be received in the shape of payment for carriage of mail-matter if no contract was in existence, I would suggest that £100 should be forfeited on each occasion that the connection was not made, and that we should be exempt in the case of breakdown of machinery, exceptionally bad or thick weather encountered on the voyage, and from such other causes as may appear to the Postmaster-General to be reasonable.

As regards term I would suggest that this should be one year, to be extended to two years in the event of neither side giving one month's notice of withdrawal at the end of the first year.

I have, &c.,

C. HOLDSWORTH, General Manager.

The Secretary, General Post Office, Wellington.

[Suez Conn. 08/52.]

No. 82.

The ACTING-SECRETARY, Postmaster-General's Department, Melbourne, to the SECRETARY, General Post Office, Wellington.

SIR,—

Postmaster-General's Department, Melbourne, 27th July, 1908.

With reference to your telegram of the 8th instant, as follows: "At what hour on Wednesdays does British mail *via* Orient reach Melbourne? At what hour approximately does New Zealand steamer leave?" I have the honour to forward herewith, for your information, copy of a report in regard to the matter furnished by the Deputy Postmaster-General, Melbourne.

I have, &c.,

JUSTINIAN OXENHAM, Acting-Secretary.

The Secretary, General Post Office, Wellington.

[Suez Conn. 08/57.]

Enclosure in No. 82.

COPY OF REPORT.

THE New Zealand mails (letter portion) per Orient line of steamers arrived at General Post Office, Melbourne, from Adelaide by train as hereunder:—

Ormuz	January	7	[Tues.]	11.50 a.m.
Orotava	"	22	[Wed.]	1.30 a.m.
Orontes	February	4	[Tues.]	10.45 a.m.
Ophir	"	18	["]	11.28 a.m.
Asturias	March	3	["]	2.50 p.m.
Ortona	"	17	["]	3.15 p.m.
Omrah	"	31	["]	11.45 a.m.
Oruba	April	14	["]	11.15 p.m.
Ormuz	"	28	["]	11.35 a.m.
Orotava	May	13	[Wed.]	5.25 a.m.
Orontes	"	26	[Tues.]	10.47 a.m.
Orient	June	9	["]	6.20 p.m.
Oroya	"	23	["]	3.5 p.m.
Ortona	July	7	["]	11.30 a.m.

The parcel-post mails for New Zealand are brought on by the vessel from Adelaide, and are as a rule sent by rail to Sydney, as the steamers arrive too late for the New Zealand boats, which sail on Wednesdays.

The New Zealand steamers leave Melbourne on Wednesdays at 10 a.m. (approximately).

No. 83.

The GENERAL MANAGER, Union Steam Ship Company (at Sydney), to the SECRETARY, General Post Office, Wellington.

(Telegram.)

Sydney, 28th July, 1908.

LAST four Orient, Wednesdays—one of these by special arriving 2.47 p.m., other three ordinary express 10.45 a.m. P. and O., three on Monday by special arriving 6.30 a.m., one Tuesday, 2.50 p.m.

[The above is answer to oral inquiry as to the times of arrival at Sydney of the last four mails by Orient and P. and O. steamers respectively.]

[Suez Conn. 08/50.]

No. 84.

The SECRETARY, General Post Office, Wellington, to the GENERAL MANAGER, Union Steam Ship Company, Dunedin.

SIR,—

General Post Office, Wellington, 5th August, 1908.

I have the honour to acknowledge the receipt of your letter of the 24th ultimo, offering on behalf of your company and the Huddart, Parker, and Co. Proprietary (Limited), to renew, under certain conditions, the agreement for the conveyance of mails weekly between Wellington and Sydney.

In reply, I have to inform you that, after giving the matter careful consideration, Government is unable to agree to an increase of the subsidy of £15,000 now paid; nor is the Postmaster-General