Treasury Chamber, 30th November, 1855.

(Copy.

SIR,-With reference to various communications from the Colonial Office, upon the subject of a Postal Communication by Steam between this country and the Australian Colonies; I am commanded by the Lords Commissioners of Her Majesty's Treasury to acquaint you, for the information of Mr. Secretaty Labouchere that the plan which my Lords propose may be thus shortly summed up:

First—That they shall instruct the Admiralty to obtain tenders, by open competition, for a Monthly Postal Service between this country and Australia, the vessels outward and homeward touching at King George's Sound, Melbourne and Sydney, carrying the mails for the six Colonies of New South Wales, Victoria, South Australia, Western Australia, Van Diemen's Land, and New Zealand.

Second—That Branch Services shall be established, by open competition from Melbourne

as the central point, with Port Adelaide, Van Diemen's Land, and New Zealand.

Third—That all Letters and Newspapers shall be prepaid, and that each Post Office shall retain its own receipts.

Fourth - That the entire cost of the services described shall be divided equally between

the Home Government and the Colonies collectively.

Fifth—That each of the Colonies shall contribute to the moiety to be paid by them collectively in proportion to the number of letters despatched by each, to be ascertained every two years.

In the first place it will be necessary to obtain from each of the Colonies named a duly

authorized legislative acquiescence in the arrangement proposed.

For this purpose I am directed to transmit to you a copy of their Lordships' Minute of the 27th instant, and to request that you will move the Secretary of State to take the necessary steps with that view. But I am to state that as some time must elapse before replies can be received from the different Colonies, and as my Lords are anxious that no time should be lost in re-establishing a monththly Mail by Steam, my Lords relying upon the correspondence now before them from the Governors of New South Wales, Victoria, and South Australia, have decided to take immediate steps in order to secure a commencement of the service at the earliest possible time after the receipt of communications from the different Colonies acquiescing in the proposed arrangements.

I have, &c.,

(Signed) JAMES WILSON.

Herman Merivale &c., &c., δc