THIRD REPORT ON

Not unfrequently the Homeward European Mail from Otago was despatched to Melbourne direct by a steamer not under contract, in order to avoid the delay of the circuitous route by Nelson and Sydney.

It may be necessary to explain that a satisfactory service for carrying both the Outward and Homeward Mails between Otago and Melbourne could not possibly be performed by one packet.

Acceleration of Posts.

It is evident on inspection of the statement that the establishment of a mail steamer from Otago to Melbourne to carry the homeward mail would relieve the four Provinces of Otago, Southland, Canterbury and Wellington from the delay, in some cases very prolonged, due to the Nelson and Sydney

It is equally obvious that to bring the Provinces of Wellington and Marlborough within the operation of the Melbourne and Otago line on the inward route would be to give them an advantage of about four days in the receipt of their European correspondence. A similar inspection will show that the adoption of the same route by Nelson and Taranaki for both inward and homeward mails would be attended with little disadvantage, if any, to these Provinces.

The Province of Auckland would be best served by direct communication with Sydney.

It appeared, then, that an improvement might be made on the mail service of the Colony if three things could be effected.

1. The extension of the existing service between Melbourne and Otage to as many other Provinces as could make use of it.

2. The establishment of a return service from Otago to Melbourne, similarly embracing the other Provinces.

3. The substitution of Auckland for Nelson as the port directly communicating with Sydney.

Contingent improvements

Alterations effected.

Several other questions presented themselves in considering the changes which might conveniently be effected in the Steam Postal Service of the Colony. Among them the most important were three:

1. The duty of embracing in the general arrangement the Provinces of Hawkes Bay, Marlborough, and Southland, which had previously been excluded from the chain of Inter-Provincial communication.

2. The importance of establishing frequent communication between all the Provinces, for govern-

mental as well as postal purposes.

3. The desirability of maintaining and improving, if possible, the strictly commercial and passenger

advantages rendered to the several parts of the Colony by the contract steamers.

After a careful examination of all the points to be considered, it was determined to effect the contemplated changes at once. The principal reason for avoiding delay was a desire that the extended Inter-Provincial Service, which formed a necessary part of the whole, and yet possessed a separate utility, should be in full operation during the approaching Session of the General Assembly.

The Provincial Governments of Otago and Canterbury agreed to render the arrangements which they had made for the carriage of the inward mail from Melbourne, above referred to, applicable to the service of other Provinces. The Provincial Government of Otago further undertook so to construct a return service which had been arranged for by that Province as similarly to satisfy the requirements of the Colony at large.

Upon the foundation thus secured it was easy to construct the new service arranged as had

been determined on. This was done.

The only difficulty which occurred arose from the fact that the Provincial Government of Otago did not alter the conditions of their service from Melbourne to Port Chalmers, and did not construct a return service from Port Chalmers to Melbourne. A temporary contract for the latter service was therefore made by the Post Office with Messrs. McMeckan, Blackwood, & Co., of Melbourne, to allow the Provincial Government of Otago time for re-consideration.

A fourth monthly Inter-Colonial service was also conditionally arranged for, designed to maintain, so far as possible, the existing communication between New South Wales and the central

provinces of the Colony.

The general nature of the Steam Postal Service of the Colony, as it is now constructed, is exhibited by the time table in the Appendix annexed.

The features special to the new service, in addition to the Postal improvements which have

been described, may be stated briefly as follows:-

Passenger and mail communication is provided between the Provinces twice a month, and between the principal Provinces three times a month.

A means of communication without transhipment is provided for each of the five considerable ports of the Colony with either Melbourne or Sydney, thus supplying an important commercial requirement.

Of the seven steamers actively and constantly engaged in performing the whole service, each one is employed during part of the month in carring the inward or homeward European mail, either inter-colonially or inter-provincially; but none is so employed continuously. In no case is a boat whose duty it is to carry a foreign mail in one direction required as a mail packet on the return trip. Consequently ample latitude is allowed to each during the greater portion of the month, either for commercial operations or, if need be, for regaining lost time.

Arrangements have been made for adjusting the time table in each month to the stated day of arrival of the P, and O. Co's packet at Melbourne and Sydney respectively, and to the length of the month; and care has been taken in all possible cases to avoid the departure of a packet from any port on a Sunday or holiday. The time table so adjusted it is intended to publish for each quarter in advance.

Special features.