

FURTHER PAPERS

RELATIVE TO

THE POSTAL CONFERENCE

HELD IN MELBOURNE.

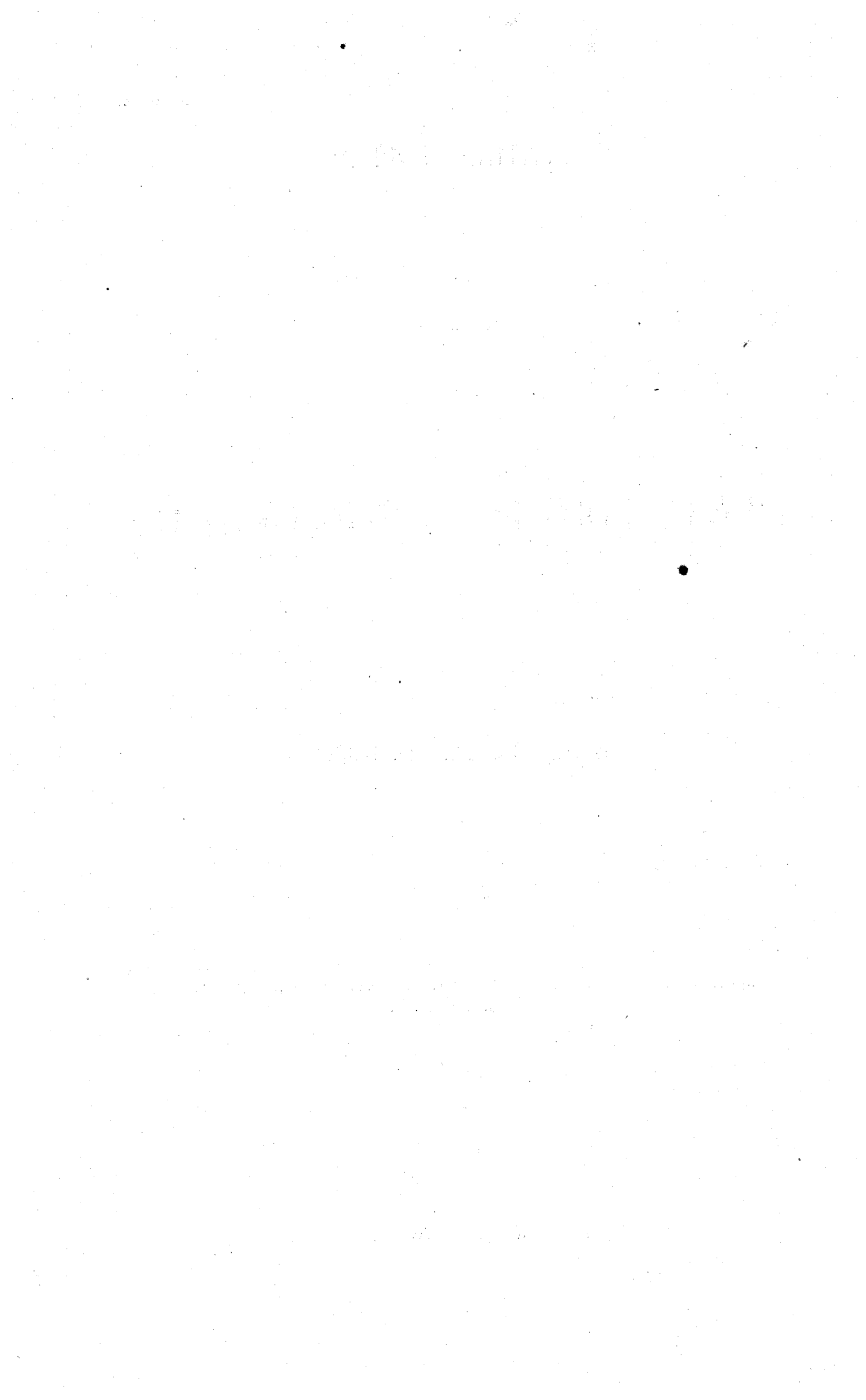
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PRESENTED TO BOTH HOUSES OF THE GENERAL ASSEMBLY, BY COMMAND OF  
HIS EXCELLENCY.

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WELLINGTON.

—  
1868.



## FURTHER PAPERS RELATIVE TO THE MELBOURNE POSTAL CONFERENCE.

### No. 1.

Copy of a Letter from the Hon. H. PARKES to the Hon. E. W. STAFFORD.

Colonial Secretary's Office,

Sydney, New South Wales, 12th August, 1867.

SIR,—

I have the honor to transmit for your information, in relation to the proceedings of the Postal Conference held at Melbourne, in March last, copies of correspondence between the Chief Secretaries of South Australia and Victoria and this Government, on some points of dispute which have been raised in the Legislature of Victoria, as to whether the Minutes of the Conference recorded its decisions with sufficient clearness, or whether some understanding formed a part of its decisions which was not expressed in the minutes; copies of a private correspondence between the Hon. George F. Verdon and myself on the same subject, which has been made public at the instance of Mr. Verdon, are also enclosed. Not printed.

2. At the same time, agreeably to the spirit of the sixth resolution, moved by me, and adopted by the Conference on the 18th March, I beg to transmit a copy of the Federal Council Bill, about to be submitted to Parliament by this Government. In my letter to the Chief Secretary of Victoria some explanations are offered on the provisions of this Bill, to which I desire to invite your attention. Not printed.

3. It will be observed that the principal point contended for by Mr. McCulloch, is that some understanding was arrived at by the Conference that the Port of Melbourne was to be the head quarters of the trunk line of steamers, by way of King George's Sound; and that I am appealed to avowedly to confirm the correctness of this position. I am unable to admit the existence of any such understanding for the simple reason that I possess no knowledge of it. I cannot for a moment doubt but that Mr. McCulloch and Mr. Verdon are perfectly sincere in the belief they have expressed, and possibly some words on the subject may have been exchanged between themselves, which in the distraction of public business, they are under the impression were communicated to the other representatives; but neither I nor my colleague in the representation of this Colony at the Conference have any recollection of any such understanding, or of any discussion that could have led to it. So far from containing any record in support of the view, which is held by the representatives of Victoria, the Minutes of the Conference would certainly lead to the contrary conclusion. The list of branch services proposed by Mr. Hall, one of the representatives of New Zealand, and the provisions of which were absolutely necessary to connect the trunk lines, does not leave the matter in doubt. The Minutes show that the branch services were not disposed of hastily. An amendment on the list proposed was moved by Mr. Boucaut and negatived, and other amendments having been assented to, "the List" was agreed to by the Conference.

I apprehend it will not be questioned that this is the document which ought to define where the trunk lines should terminate, and the language of this document, under the head of "Service *via* King George's Sound," is precise and clear. Elsewhere, the Minutes are silent, but here, which is the proper place, they speak distinctly:—"On the arrival of the Suez steamer at Melbourne, one branch steamer to leave for Launceston, and another for New Zealand;—on the arrival of the same Suez steamer at Sydney, a branch steamer to leave for Brisbane."

4. I am desired by His Excellency Sir John Young to explain that the position taken up by this Government is that the Records of the Conference cannot be supplemented or altered except by another Conference, or similar body representing the whole of the associated Colonies, and that those records distinctly provide for the arrival of the Suez steamer, *via* King George's Sound, at the port of Sydney.

5. It is of course admitted that it is open to the six Colonies in conference to decide on any other terminus. But it is maintained, and I do not see how it can be questioned, that so far as proceedings have yet gone, the decision is in favour of Sydney. If this scheme of a Federal Postal Service should fortunately arrive at a stage when the duty of carrying it into effect will have to be undertaken, I apprehend the views and reasonings of contractors will have to be considered in maturing such arrangements as may appear to be best calculated to secure to all the associated Colonies an equal participation in its benefits. There will be no disposition on the part of New South Wales to disturb the harmony of deliberations so conducted by claiming any consideration for the port of Sydney, except on the broadest ground of federal advantage. This Government fully assents to the principle that the terminus of each of the three trunk lines should be determined by consulting the interests of all the Colonies in their federal relationship. In this spirit, New South Wales joined in the Conference, and in this spirit its Government is prepared to continue in united action with the sister Colonies.

I have, &c.,

HENRY PARKES.

The Hon. the Colonial Secretary of New Zealand, Wellington.

## FURTHER PAPERS RELATIVE TO THE

## Enclosure in No. 1.

31 VICTORIA, 1867.

A. BILL to authorize the appointment of Members of the Executive Council to be Members of a Federal Council of the Australasian Colonies.—(*Mr. Parkes, 11th July, 1867.*)

## Preamble.

WHEREAS the Governments of New South Wales, Victoria, New Zealand, South Australia, Queensland, and Tasmania, respectively agreed to depute certain of their members to meet in Conference to consider and determine the best means of establishing a satisfactory system of steamship communication between the Australasian Colonies and Great Britain, for postal and other purposes. And whereas in pursuance of such agreement, a Conference was held in the City of Melbourne, at which certain resolutions were unanimously passed, and a certain Memorial, to be addressed separately by the respective Governments to Her Majesty the Queen, was unanimously adopted; and it was further resolved unanimously, that it was expedient to establish a Federal Council consisting of representatives from the Australasian Colonies, in order to carry into effect the agreements embodied in the said resolutions and the said Memorial, to which Federal Council other subjects of common interest, as they arise from time to time, might be advantageously referred for consideration: Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the Legislative Council and Legislative Assembly of New South Wales, in Parliament assembled, and by the authority of the same as follows:—

Executive Councillors may be appointed to represent the Colony in any Federal Council.

1. It shall be lawful for the Governor, with the advice of the Executive Council, to appoint one or more members of the Executive Council to represent this Colony in any Federal Council which may hereafter be created by the authority of the Parliaments, of any two or more of the Australasian Colonies.

Special powers of members of Federal Council.

2. It shall be lawful for the member or members representing this Colony in any such Federal Council to deliberate upon, vote for, and give assent to any resolutions or measures that may be necessary to carry out and establish the system of steamship communication for postal and other purposes, embodied in the proceedings of the Melbourne Conference, as contained in Schedules hereto A, B, and C, and the decisions of any such Federal Council, in respect to the matters set forth in the said Schedules in which the member or members representing this Colony shall deliberate, vote and give assent, shall be binding.

Subjects may be referred by Parliament for the consideration and decision of Federal Council.

3. Other subjects of common interest and concernment to the Australasian Colonies may be referred for the consideration and decision of any Federal Council, constituted as herein defined, and in which this Colony may be represented as aforesaid on address to the Governor from both Houses of Parliament, and the members representing this Colony in any such Federal Council shall have authority on behalf of the said Colony to introduce, deliberate, and vote upon all subjects so referred for consideration and decision.

The Governor, with the advice of the Executive Council, to carry out decisions of Federal Council.

4. It shall be lawful for the Governor, with the advice of the Executive Council, to do all things that may be necessary on behalf of this Colony to carry into effect the decisions of any Federal Council as aforesaid: Provided that every such decision shall be arrived at unanimously, and provided also that no such decision shall be contrary and opposed to any law of the said Colony.

Colony may retire from Federal Council.

5. Notwithstanding anything herein contained, this Colony, by its representatives, may retire from any Federal Council if no decision binding upon the said Colony has previously been arrived at by such Council, and in any case, on address to the Governor from both Houses of Parliament, the said Colony shall retire from any such Federal Council: Provided that all intercolonial agreements and contracts entered into on behalf of New South Wales then existing shall be carried out and performed by the said Colony in accordance with the provisions of this Act.

Retirement of Colony or Colonies not to invalidate proceedings of Federal Council.

6. In the event of any other Colony or Colonies retiring from any Federal Council, and this Colony continuing to be represented in such Council, the decisions of such Council shall be binding and have effect in the same manner as if the retirement of the said Colony or Colonies had not taken place.

Proceedings to be laid before Parliament.

7. The votes and proceedings of each session of any Federal Council shall, within one month from the termination thereof, be laid before both Houses of Parliament if Parliament be then sitting, and if Parliament be not then sitting, then within one month after the opening of the next session of Parliament.

Commencement of Act. Short Title.

8. This Act shall come into operation on the first day of October, one thousand eight hundred and sixty-seven, and may be cited for all purposes as "The Federal Council Act of 1867."

## SCHEDULES.

*Schedule A.*—Resolutions agreed to at Conference; printed with Postal Conference papers, 1867, page 23, E.—No. 2.

*Schedule B.*—Printed as Enclosure 2 in No. 15 of Postal Conference papers, 1867, E.—No. 2, page 29.

*Schedule C.*—List of branch mail services; Postal Conference papers, 1867, page 35, E.—No. 2.

## No. 2.

Copy of a Letter from Mr. HENRY HALLORAN to the Hon. E. W. STAFFORD.

SIR,—

Colonial Secretary's Office,  
Sydney, New South Wales, 31st August, 1867.

Referring to my letter of the 12th instant, I have the honor to enclose for your information a copy of a further communication that has been addressed to the Chief Secretary of Victoria on the subject of the Federal Council Bill now before the Parliament of this Colony, together with a copy of the papers transmitted therein.

The Hon. the Colonial Secretary, Wellington.

I have, &c.,  
HENRY HALLORAN,  
(for the Colonial Secretary.)

## Enclosure in No. 2.

The Hon. HENRY PARKES to the Hon. the CHIEF SECRETARY, Victoria.

SIR,—

Colonial Secretary's Office,  
Sydney, New South Wales, 29th August, 1867.

Referring to my letter of the 6th instant, enclosing copies of the Federal Council Bill, and informing you that the second reading of that Bill would not be proceeded with before the 15th, in order that time might be afforded for you to offer any observation that you might desire to make on its provisions, I now beg to transmit, for your further information, a copy of the Bill as it was read a second time, and passed through Committee yesterday. I also send, by the same post, a copy of the *Sydney Morning Herald*, containing a report of the proceedings in the Legislative Assembly on the occasion, though I cannot undertake to say how far this is an accurate report of what occurred.

2. It will be observed that this Government waited a fortnight beyond the time fixed in my letter of the 6th for the second reading. Receiving no reply to my communication I infer that you do not desire to discuss the matter of our correspondence any further at this stage.

3. In deference to the objection raised by you, the third clause has been amended by expunging from it the provisions for unanimity in the decisions of the Federal Council.

The Hon. the Chief Secretary, Victoria.

I have, &c.,  
HENRY PARKES.

## Sub-Enclosure to Enclosure in No. 2.

THIS Public Bill originated in the Legislative Assembly, and having this day passed, is now ready for presentation to the Legislative Council for its concurrence.

Clerk of Legislative Assembly.

Legislative Assembly Chamber, Sydney, 1867.

## NEW SOUTH WALES.

ANNO TRICESIMO PRIMO VICTORIÆ REGINÆ, No. —.

AN ACT to authorize the appointment of Members of the Executive Council to be Members of a Federal Council of the Australasian Colonies.

Preamble.

WHEREAS the Governments of New South Wales, Victoria, New Zealand, South Australia, Queensland, and Tasmania, respectively agreed to depute certain of their members to meet in Conference to consider and determine the best means of establishing a satisfactory system of steamship communication between the Australasian Colonies and Great Britain, for postal and other purposes. And whereas in pursuance of such agreement a Conference was held in the City of Melbourne, at which certain resolutions were unanimously passed, and a certain Memorial, to be addressed separately by the respective Governments to Her Majesty the Queen, was unanimously adopted; and it was further resolved unanimously that it was expedient to establish a Federal Council, consisting of representatives from the Australasian Colonies, in order to carry into effect the agreements embodied in the said resolutions and the said Memorial: Be it therefore enacted by the Queen's Most Excellent Majesty, by and with the consent and advice of the Legislative Council and Legislative Assembly of New South Wales, in Parliament assembled, and by the authority of the same, as follows:—

Executive Councillors may be appointed to represent the Colony in any Federal Council.

1. It shall be lawful for the Governor, with the advice of the Executive Council, to appoint one or more members of the Executive Council to represent this Colony in any Federal Council which may hereafter be created by the authority of the Parliaments of any two or more of the Australian Colonies.

Special powers of members of Federal Council.

2. It shall be lawful for the member or members representing this Colony in any such Federal Council to deliberate upon, vote for, and give assent to any resolutions or measures that may be necessary to carry out and establish the system of steamship communication for postal and other purposes, embodied in the proceedings of the Melbourne Conference, as contained in Schedules hereto, See Schedule to Enclosure in No. 1. A, B, and C, or any modification thereof, not exceeding the annual expenditure for Ocean Mail Services of £55,000, which may secure to this Colony the benefit of the proposed system; and the decisions of any such Federal Council in respect to the matters set forth in the said schedules, in which the member or members representing this Colony shall deliberate, vote, and give assent, shall be binding.

The Governor, with the advice of the Executive Council, to carry out decisions of Federal Council.

3. It shall be lawful for the Governor, with the advice of the Executive Council, to do all things that may be necessary on behalf of this Colony to carry into effect the decisions of any Federal Council as aforesaid, provided that no such decision shall be contrary and opposed to any law of the said Colony.

Colony may retire from Federal Council.

4. Notwithstanding anything herein contained, this Colony, by its representatives, may retire from any Federal Council if no decision binding upon the said Colony has previously been arrived at by such Council, and in any case, on address to the Governor from both Houses of Parliament, the said Colony shall retire from any such Federal Council: provided that all intercolonial agreements and contracts entered into on behalf of New South Wales then existing, shall be carried out and performed by the said Colony in accordance with the provisions of this Act.

Retirement of Colony or Colonies not to invalidate proceedings of Federal Council.

5. In the event of any other Colony or Colonies retiring from any Federal Council, and this Colony continuing to be represented in such Council, the decisions of such Council shall be binding, and have effect in the same manner as if the retirement of the said Colony or Colonies had not taken place.

Proceedings to be laid before Parliament.

6. The votes and proceedings of each session of any Federal Council shall within one month from the termination thereof, be laid before both Houses of Parliament, if Parliament be then sitting, and if Parliament be not then sitting, then within one month after the opening of the next session of Parliament.

Commencement of Act. Short Title.

7. This Act shall come into operation on the first day of October, one thousand eight hundred and sixty-seven, and may be cited for all purposes as "The Federal Council Act of 1867."

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### No. 3.

Copy of a MEMORANDUM from the Hon. J. HALL to the Hon. E. W. STAFFORD.

I RECOMMEND the New South Wales Government be thanked for these documents, and informed that upon consideration it has not been thought desirable to pass a special Act in New Zealand to provide for the appointment of delegates to a Federal Council, such appointment being considered within the ordinary powers of the Executive Government of the Colony. As the New South Wales Act restricts the appointment of members of the Federal Council to persons who are members of the Executive Council, it may be right to observe that although such a qualification is considered a very desirable one, it would be inexpedient to make it indispensable: considering the length of time during which any delegate from New Zealand must be absent from the Colony, it might be found exceedingly inconvenient that none but members of the Executive Council should be so appointed.

A copy of the British-Australasian Mail Service Bill, as it has passed both Houses, should be forwarded for the information of Mr. Parkes.

18th September, 1867.

JOHN HALL.

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### No. 4.

Copy of a Letter from the Hon. E. W. STAFFORD to the Hon. HENRY PARKES.

Colonial Secretary's Office,

Wellington, 26th September, 1867.

SIR,—

I have the honor to acknowledge the receipt of your letter of the 31st ultimo, and to thank you for the documents transmitted therein on the subject of the Federal Council Bill, then before the Parliament of New South Wales.

Upon careful consideration of this subject, this Government has not thought it desirable to submit to the New Zealand Parliament a special Bill for the appointment of delegates to a Federal Council, as it believes the power of making such appointments is within the ordinary powers of the Government.

I perceive that in the Bill forwarded by you the appointment of members of the Federal Council is restricted to persons who are members of the Executive Council. No doubt such a qualification is on many grounds desirable, but I would observe that it may be inexpedient to render it indispensable in the case of New Zealand, as the length of time during which any delegate from this Colony must be absent, would, if none but members of the Executive Council could be appointed, be very inconvenient to the public service.

I have the honor to enclose for your information a copy of the British-Australasian Mail Service Bill, as it has passed both Houses of the New Zealand Parliament during the present session.

I have, &c.,

E. W. STAFFORD.

The Hon. the Colonial Secretary, New South Wales.

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### No. 5.

Copy of a Despatch from the SECRETARY of STATE to Governor Sir GEORGE GREY.

Downing Street,

19th October, 1867.

SIR,—

I have the honor to acknowledge the receipt of your Despatches of numbers and dates given in the margin, and to inform you that the Memorial, signed by the Representatives of the several Australian Colonies who met in Conference at Melbourne in March last, to consider the question of postal communication between Australia and this country has been duly laid before the Queen.

Her Majesty's Government have given a careful consideration to the proposals contained in this Memorial. I transmit to you for the information of yourself and of your Responsible Advisers, a copy of a letter from the Board of Treasury enclosing, with other papers, an extract of a report by the Postmaster-General upon this subject.

You will perceive that Her Majesty's Government are unable to adopt the views expressed by the Delegates; and it will therefore remain for the Governments of the Colonies concerned, to consider whether they will undertake to provide in future for the Postal Service, between Ceylon and Sydney on the terms mentioned in the Treasury letter.

If this course should be decided on, it will be necessary that I should be informed without delay, whether it is desired that notice should be given to the Peninsular and Oriental Steam Navigation Company for the termination of the present contract.

In the event of the new tenders being called for, I beg to call attention to the form prescribed by the Lords Commissioners of the Treasury in the concluding paragraph of their letter.

Governor Sir George Grey, K.C.B., &c.

I have, &c.,

BUCKINGHAM AND CHANDOS.

### Enclosure 1 in No. 5.

MR. HAMILTON to Sir F. ROGERS.

SIR,—

Treasury Chambers, 2nd October, 1867.

With reference to the several communications received from the Colonial Office on the subject of the Memorial addressed to Her Majesty from the Colonies of Victoria, New South Wales, New Zealand, South Australia, Queensland, and Tasmania, in which they propose that there should be maintained, at the joint expense of the Mother Country and of the Colonies, "three ocean postal lines, one by way of King George's Sound, one by way of Torres Straits, and one by way of New Zealand and Panama," I am commanded by the Lords Commissioners of Her Majesty's Treasury to transmit to you an extract from the report of the Postmaster-General, dated the 24th ultimo, and I am to request that in laying the same before the Duke of Buckingham and Chandos you will move His Grace to inform the Governors of the respective Colonies that the Memorial in question having been referred to this Board, my Lords have, in communication with the Postmaster-General, given the whole subject their most attentive consideration, and it is with much regret that my Lords are compelled to take a view of the matter differing from the views expressed by the Delegates of the Australian Colonies, but my Lords are bound to state that they entirely concur in the opinions expressed by the Duke of Montrose, and that they, therefore, would not feel themselves justified in proposing to Parliament to contribute towards the expense of a packet service *via* Torres Straits, or to do more than is at present done by the British Post Office in support of the packet service *via* Panama.

In making this communication to the Governors of the respective Colonies, my Lords would suggest that His Grace should again inquire whether the Colonial Government will be prepared to make the future necessary arrangements for the service between Ceylon and Sydney (on the understanding that the mother country will pay one-half of the reasonable expense); and if so, whether it be their wish that notice be given to the Peninsular and Oriental Steam Navigation Company to terminate the existing contract.

In the latter case, in order to prevent any part of the time over which the notice would run (two years) from being lost, seeing that the whole will be necessary to secure an effective competition, my Lords would suggest that the Colonial Governments should be requested to send over a form of tender, so that, if this form be approved of, tenders may at once be called for in this country and also in Australia, on the arrival of the then following outward packet; and to guard against a form being transmitted in which my Lords could not concur, they request that the respective Governments be informed that in any forms of tender which they may prepare, insertion must be given in such forms to the conditions numbered 1, 3, 29, and 30, and to the first and third paragraphs of the printed letter preceding the conditions, as appears in the enclosed forms of tender.

Sir Frederic Rogers, Bart.

I am, &c.,

GEO. A. HAMILTON.

Extract from the REPORT of the POSTMASTER-GENERAL, dated 24th August, 1867.

"I HAVE the honor to return to your Lordships the copies of the various Despatches and the other communications which have been received from the different Australian Colonies and New Zealand, in reply to the request which you made to the different Colonial Governments there to concert an arrangement for conducting under their own supervision the packet service between Ceylon and Sydney; so that the responsibility for the satisfactory performance of that service should no longer rest with the Home Government, but with the Governments of the Australian Colonies, which are much nearer to the place of performance. All which documents you referred to me for my report.

"In order, I presume, to give effect to your Lordships' wishes the Colonial Governments, except that of Western Australia, appointed delegates to meet in conference at Melbourne, but these delegates instead of addressing themselves solely to the specific object that had been named, entered into a consideration of the general question of postal communication with the mother country.

"Had your Lordships thought it likely that such a course would be adopted, you would probably have deemed it proper to send out some person well acquainted with the facts of the case, to act as your representative; but I have little doubt that you will agree with me in thinking that there was no necessity for this enlarged inquiry, the chief matter into which it diverged—namely, the expediency of establishing postal services by way of Panama and Torres Straits, having within the last few years been fully discussed, and so far at least as the Home Government was concerned, decided upon.

"As it was, there was no one at the meeting to represent British interests as distinguished from those of different Colonies, and British interests appear, to a great extent, to have been lost sight of.

“The result of the conference is set forth in a series of resolutions, the most important of which are, that in the opinion of the delegates there ought to be three postal routes between this country and Australia, viz., first, *viâ* Suez and King George’s Sound; secondly, *viâ* Suez and Torres Straits; and, thirdly, *viâ* Panama; and that the cost of the services by these three routes ought to be defrayed—one-half by the mother country, and one-half by the Colonies. These resolutions having been reported to the Governments of the different Colonies (except that of Western Australia, which has expressed its willingness to abide by any arrangement which the mother country may think proper) appear to have received the sanction of the Executive of each Government, but in the case of the very important Colony of Victoria, the Legislature was divided on the subject, for while about three-fifths of the Legislative Assembly supported the resolutions, the remaining two-fifths and the whole of the Legislative Council opposed them.

“Thus in Victoria, the balance of legislative opinion is shewn to be decidedly against the resolutions of the delegates, and this would probably have been yet more manifest had not the question in the Lower House been treated as one of confidence in the Ministers.

“After giving the subject the full consideration which its importance demands, I am unable to recommend your Lordships to consent to what is asked. In fact that which is demanded is but a repetition of what you have already refused, viz., to impose on the British community, in addition to the present payment, a share of the cost of a postal service, *viâ* Panama, and of the cost of another postal service, *viâ* Torres Straits; except that so far as regarded the service *viâ* Panama, you agreed to convey the letters a large part of the distance, viz., across the Atlantic, without claiming any part of the sea postage, and although you expressly stated that this arrangement must be regarded as only temporary, you have not brought it to an end, nor do I advise that this should be done. But more assistance than this I cannot recommend your Lordships to give. No new circumstances of importance have arisen since the questions relating to those two routes were settled, and I see no reason why the matter should be re-opened. Whether the services to Australia be one or two per month, it is clear to my mind that the general interests, both of the Mother Country and of the Colonies, require that these services should be by way of Suez and King George’s Sound, and it is manifest by the report of the debate on the subject in the Legislative Assembly of Victoria, and by other evidence, that this opinion is largely held in Australia, indeed it was expressed in the debate, even by Mr. Verdon, the Victorian Colonial Treasurer, who was one of the delegates, and who supported the delegates’ resolutions. He said, ‘We, Sir, think so well of the Suez route, that we should have been very glad to have adhered to that route entirely, but we are not disposed to pay £120,000 a year for it.’ Even if this estimate were correct, I am surprised that it did not occur to Mr. Verdon that, in all likelihood, your Lordships would be still more indisposed to pay a yet larger sum for a route far worse than that *viâ* Suez.

“But on what Mr. Verdon bases his calculation of £120,000, as the share that Victoria might have to pay of the cost of the Suez line, I am at a loss to conceive, even if South Australia should withdraw from the contract, which is very improbable, seeing that the Suez route is incomparably the best for that Colony (indeed her delegates expressed their belief that it is the best for the Australian Colonies generally), and if Tasmania also should withdraw, the Victorian payment which would then be confined to half the cost of the main line, minus the contribution from Western Australia, would (as may be computed from a table inserted hereafter) be about £80,000, or only two-thirds of the sum named by Mr. Verdon; and practically the payment by Victoria would be much less, since a postage of not less than eighteen pence would probably be immediately levied on any letters sent by the Suez route to Colonies not contributing to its cost, and by the simple expedient of requiring a high packet rate to be paid on any letters posted during the time that the packet remains at any port in Australia before sailing for another port, attempts to make what may be termed a fraudulent use of the packets for letters to a non-contributing Colony would to a great extent be frustrated.

“Mr. Verdon’s opinion of the superiority of the Suez route is fully shared in by the Melbourne Chamber of Commerce, which in a petition to the Legislative Assembly against the adoption of the recommendations of the delegates states ‘That the establishment of a fortnightly service by way of Suez and Galle, while it would be far less costly to the Colonies, would afford superior advantages to almost all of them.’

“There can be no doubt that, by means of the route *viâ* Suez and King George’s Sound, the great bulk of the letters for the Australian colonies can be carried to their destination more swiftly and cheaply than by any other route, as is shown by the accompanying tables, giving the time during the seven months since the beginning of the present year, taken by the Mail Packets in arriving at each of the Australian Colonies by the three different routes.

“In these tables the time by the Suez and King George’s Sound route is that occupied in the conveyance of such letters as go *viâ* Marseilles, which your Lordships, I am sure, will agree with me in regarding as the true time for comparison. Letters by the slower route, *viâ* Southampton, are so forwarded at the choice of the writers, who for mere sake of greater speed (of the worth of which each, in his particular case, must be the best judge), are not willing to pay the additional charge of four pence for the transit of their letter through France, and to expect the State to add largely to the cost of a service (already entailing a heavy loss) in order that those who are not willing to pay a few pence for more speed should nevertheless have this speed, seems to me most unreasonable.

“I therefore wholly dissent from those persons who maintain that, in comparing the length of the voyage, the time should be taken, not by the Marseilles route, but by that *viâ* Southampton.

“The tables to which I have referred, show that since the beginning of the present year (the period to which they relate) the time occupied in the conveyance of the Homeward Mail from every one of the Colonies in Australia Proper, was longer when sent *viâ* Panama than *viâ* Suez; the excess varying from an average of 9 days to one of 23, and being on a general average 15 days, the average in the case of Victoria being as high as 17 days.

“The only Colony which appears to have been benefited by the Panama route is New Zealand, but even in this case the gain, on the average was little more than half a day, and it would appear from the



debate in the Victorian Legislative Assembly (14th May, 1867) that to some places even in New Zealand, the letters arrive quickest by the Suez route.

“The number of letters received from the Australian Colonies is at present about 90,000 per month, while from New Zealand it is little more than 28,000, so that as between the two routes (if the choice lay between them) for every letter which would be accelerated by the use of the Panama route to the extent, say of three-quarters of a day, three other letters would be delayed about 15 days,

“Thus the Suez and Marseilles route, as compared with the Panama route, is superior in the ratio of about 50 to 1.

“The tables are confined to the Homeward Mails because, as respects those *via* Panama, we have no record of the arrivals of the Outward Mails, and therefore no comparison with respect to these mails can be made, but I have no reason to suppose that the result would be different.

“By no possibility could the ‘regular fortnightly communication’ spoken of by the delegates in their tenth resolution be established in the way they propose, inasmuch as the time required by the Panama and Torres Straits lines being for the bulk of the letters much greater than that occupied by the *via* Suez and King George’s Sound, it would be beyond human power (except by a vast expenditure on the Panama line in coals, and in the construction of larger ships) by the aid of the two former lines, to divide the month equally.

“To agree to what is asked would probably necessitate an increase in the gross expense to this country of the Australian Packet Service from less than £86,000 a year to £200,000, or by about £114,000, and although the postage were raised from 6d. to 1s., our loss on this service even now amounting to more than £45,000 per annum, would probably increase to about £120,000.

“When the Australian Colonies were lately asked whether they would like to have a fortnightly, instead of a monthly service, on the understanding that if a fortnightly service were established, the postage would be raised to a shilling, almost all of them replied in the negative; and now, strange as it may appear, most of them in effect apply for this very fortnightly service, but to be performed in an inferior way, and at a much greater cost. The explanation cannot be that, on the latter plan, it is expected that there would be no increase of postage, since by our joining in an arrangement for taking over the contract for the Panama service and agreeing to contribute towards the cost of a service *via* Torres Straits, the reason for such increase of postage would be greatly strengthened.

“In truth, however, it is clearly not for the improvement of the service that the resolutions of the delegates are framed. If these resolutions were adopted in toto, the services, so far at least as relates to those *via* Suez and Panama, would remain the same, but that which would be greatly altered is the incidence of payment.

“Leaving Western Australia out of the account, it is found that as compared with what the different Colonies now pay, or expect to pay, each of them, except Tasmania, would, under the proposed arrangement, pay less, while all the burden thus shifted from them would be thrown on the mother country. This is made evident by the following tables, which show as nearly as can be estimated, first the present payments by the different Colonies and the Mother Country for the existing services, now that New Zealand has all her letters (unless specially addressed otherwise), sent *via* Panama; secondly, the payment, if New South Wales and Queensland should also withdraw from a participation in the contract for the Suez and King George’s Sound Service (as New South Wales has given notice of her intention to do); thirdly, the payments if there were no services *via* Panama or Torres Straits, but on the other hand, two services per month *via* Suez and King George’s Sound, and showing, fourthly, what would be the respective payments if the recommendations of the delegates were adopted.”

FURTHER PAPERS RELATIVE TO THE

TABLE showing the Present Cost of the AUSTRALIAN MAIL PACKET SERVICE as divided between the Imperial Post Office and the Colonies; the same supposing the New South Wales and Queensland Correspondence, in addition to that of New Zealand, were conveyed *via* Panama; thirdly, the Cost of a Service twice a Month *via* Suez; and fourthly, the Division of the Expense of Three Lines of Packets proposed by the Committee of Delegates of the Colonies.

Country contributing.	Present Arrangement: New Zealand Correspondence going <i>via</i> Panama.				New Zealand, New South Wales, and Queensland Correspondence, going <i>via</i> Panama.				Estimated Cost of a Service twice a Month <i>via</i> Suez.	Proposal of Delegates: Total Expenses of the three Services.	
	Suez Route.		Torres Straits Route.		Panama.		Torres Straits.				Total.
	£	£	£	£	£	£	£	£			
United Kingdom*	86,135	86,135	...	85,110	...	...	85,110	127,300	200,000		
Victoria	38,100	38,100	...	63,938	...	...	63,938	40,087	50,000		
New South Wales	21,360	78,660	57,300	...	57,300	...	57,300	17,384	50,000		
South Australia†	16,431	16,431	...	20,887	...	...	20,887	27,884	14,000		
New Zealand	...	62,700	62,700	...	62,700	...	62,700	45,754	50,000		
Tasmania‡	3,731	3,731	...	5,611	...	...	5,611	4,856	12,000		
Queensland§	12,425	12,425	90,000	...	...	...	90,000	12,956	24,000		
Western Australia¶	932	932	...	1,518	...	...	1,518	1,267	...		
	179,114	389,114	90,000	177,064	120,000	90,000¶	387,064	277,388	400,000		

Notes on the above.

Namely:—\* Service between United Kingdom and Sydney, including incidental expenses  
 † King George's Sound and Adelaide  
 ‡ Branch, Sydney to Queensland  
 § Melbourne and Tasmania

‡ United Kingdom to Melbourne  
 † Branch Packet to Melbourne

£81,710  
 2,475  
 1,025  
 925  
 £86,135

£2,806  
 925  
 £3,731  
 £11,400  
 1,025  
 £12,425

† United Kingdom to King George's Sound  
 ‡ King George's Sound and Adelaide

£7,112  
 9,319  
 £16,431

|| This includes £10,000 for conveyance across the Isthmus of Panama.  
 ¶ Estimated cost of a Monthly Service.

From these tables it will be seen that, if the recommendations of the delegates were adopted, while the large additional expense that I have mentioned (£114,000) would be cast on the mother country, the following reductions, if matters took the shape they seem expected to take, and which, in fact, they have already taken in part, would (in round numbers) be made in the payments of the different Colonies:—

South Australia	...	...	...	...	...	...	£6,900
New South Wales	...	...	...	...	...	...	7,300
Victoria	...	...	...	...	...	...	14,000
New Zealand	...	...	...	...	...	...	12,700
Queensland	...	...	...	...	...	...	66,000

As respects the greater cheapness of the route *via* Suez and King George's Sound, it is fair to remark that its cost will probably soon be enhanced by the withdrawal of most of the Indian letters from the packets conveying the Australian mails between Suez and Ceylon; but, with full allowance for this augmentation, I have no doubt that this route, especially as regards a bi-monthly service, will still be much the more economical.

With a view, probably, of obtaining the adhesion of South Australia to their scheme, the delegates propose that the packet on the main route from King George's Sound to Sydney shall touch at Kangaroo Island; but unless, in any future contract, the terms upon which this alteration can be accomplished (an alteration in which your Lordships have already refused to concur) be more favourable than those demanded by the Peninsular and Oriental Steam Navigation Company (and I have no reason to suppose that they will), the call at Kangaroo Island, which the present contractors regard as entailing some danger to their ships, can only be obtained, as the Government of Australia is fully aware, by an additional annual payment of £15,000, and with an increase in the stipulated time of the round voyage of two days, the effect of the latter change being to delay the great bulk of the Australian letters, with the further probable result of occasionally depriving New South Wales of her return post, a result which, in the case of Queensland, would be yet more frequent.

But whatever would inflict postal injury on any of the colonies would likewise injure the mother country; and in this way also, therefore, we should be sufferers from the proposed alterations.

With regard to the estimated cost of the plan recommended by the delegates, it may be right to mention that it appears by the debate before referred to, that Mr. Verdon thinks that a much less sum than £400,000 a year would suffice; but he gives no reason for his belief, and in my opinion the real cost, instead of being less than this sum, would prove to be greater.

As no estimate has been sent of the proposed plan under its different heads, I am driven, to some extent to conjecture; but as far as I can prognosticate (and of some of the items there is little or no doubt), the subjoined may be taken as a tolerably correct estimate of the cost:—

Present cost of the Suez route (including transit rate and incidental expenses)	£179,100
Add for stoppage at Kangaroo Island	15,000

*Probable Cost of the Panama Route.*

Main line to Wellington and Sydney	£110,000
Transit rate over the Isthmus of Panama	10,000

*Branch Lines.*

Sydney to Brisbane	2,000
Wellington to Melbourne	13,000
Melbourne to Adelaide	5,000
Melbourne to Tasmania	1,800

141,800

Probable cost of Torres Straits route (between Queensland and Singapore only)

90,000

£425,900

This is exclusive of all share of expense (as regards the Panama route) of conveying the mails across the Atlantic, and as regards the Torres Straits route, of the service between London and Singapore; and is moreover exclusive, as regards both these latter routes, of all incidental expenses.

Although by one of the resolutions of the delegates, it is declared that the route *via* Torres Straits does not present any considerable postal advantage to any Colony except Queensland, a claim has been raised in favour of this route in relation to telegraphic communication, but I would observe that at present the advantages under this head are on the side of the route *via* Ceylon and King George's Sound; and that when the telegraphic wires shall have been carried to Singapore, the time must be at hand for their extension to some point of Australia, and that as soon as this is accomplished, all questions relating to the joint action of the packets and telegraph will come to an end.

In some of the despatches from the Governors of the Australian Colonies, and in the report of the proceedings of the delegates, great stress is laid on the magnitude of the commerce now existing between the United Kingdom and Australia. I rejoice to think that this commerce should so largely have expanded; but to the question now under consideration, the fact does not seem to me to have any application. The question is not whether there ought to be much or little postal communication between the two countries, but how this communication can best be effected.

As I have already mentioned, the request for the alteration under consideration is but a repetition in a new form of the application formerly made to your Lordships, and which was positively refused, a refusal that was clearly notified before any contract for the service, *via* Panama was entered into; and as respect the Torres Straits Service, there appears as yet to be no contract.

Even if your Lordships were disposed to yield to this renewed demand, the question of the Australian Mail Packet Service would not thereby be settled. I feel certain, and the state of public

opinion in the Colony of Victoria confirms me in the belief, that at no distant time application would be made to establish, in addition to the services now called for, a second monthly service *via* Suez and King George's Sound; for, without a second service, by this route Australia will soon be almost the only part not merely of Her Majesty's dominions, but of the whole civilized world, which has not a good post with this country, at least twice a month.

Considering the circumstances I have enumerated, and having regard to all the interests concerned, to those of the mother country and to the general benefit, as distinguished from matters arising from rivalry and local consideration of the Australian Colonies and New Zealand, I feel bound, in the discharge of my public duty, to recommend your Lordships not to comply with the present application.

### Enclosure 2 in No. 5.

TENDER for CONVEYING HER MAJESTY'S MAILS between Point De Galle and Sydney.

SIR,—

We hereby offer to convey Her Majesty's Mails by steam vessels between Point de Galle (Ceylon) and Sydney (New South Wales), and on the conditions marked A., once each way in each calendar month for the sum of £                      per annum; or in each month of four weeks for £                      per annum; or to convey them twice each way in each calendar month for the sum of £                      per annum; or once in each fortnight for £                      per annum.

Provided the time allowed be increased to                      hours, instead of 516 hours for the voyage from Point de Galle to Sydney, and to                      hours, instead of 564 hours for the voyage from Sydney to Point de Galle, we will perform the service once each way in each calendar month for the sum of £                      per annum; or in each month of four weeks for                      per annum; or to perform it twice each way in each calendar month for the sum of £                      per annum; or once in each fortnight for £                      per annum. Or, if the time from Point de Galle to Sydney be reduced to                      hours and from Sydney to Point de Galle to                      hours, we will perform the service once each way in each calendar month for the sum of £                      per annum; or in each month of four weeks for £                      per annum; or to perform it twice each way in each calendar month for the sum of £                      per annum, or once in each fortnight for £                      per annum.

Provided we be allowed the further annual sum of £                      if the service be per calendar month; of £                      if it be per month of four weeks; of £                      if it be per half calendar month; or of £                      if it be once each fortnight; and provided also that an addition of                      hours be made to the time for the voyage in each direction, we will agree that the packets to be employed in this service shall call off Kangaroo Island, to land and embark mails, on every voyage, whether outward or homeward.

If the 15th condition be dispensed with at any time, we will agree to an abatement of £                      per annum if the service be monthly, whether the month be calendar, or one of four weeks, and to an abatement of £                      per annum if it be bi-monthly.

We will agree to an abatement of £ †                      in the amount of the subsidy, on condition that the penalties for delays on the voyage, instead of being absolute, shall not be payable when it is proved to the satisfaction of the Postmaster-General that the delay has arisen from causes beyond our control.

We will further agree to an abatement of £ †                      in the amount of the subsidy, if conditions 7, 8, 9, and 10 be omitted.

We propose as our sureties, in the penalty of £25,000, Mr.                      of                      and Mr.                      of                      and we refer you to                      as persons of whom inquiry can be made as to the responsibility of such sureties.

We engage that the vessels shall be complete and ready for sea on the                      in failure of which we agree to pay to Her Majesty the sum of ten pounds for every day's delay beyond that time. And should the 7th, 8th, 9th, and 10th conditions be retained, we further engage that the hulls of the vessels shall be ready for survey on the                      and that the vessels shall be complete and ready for final survey on the                      ; in failure at either of which times we agree to pay to Her Majesty a like sum of ten pounds for every day's delay, but so that these penalties shall not in the aggregate exceed the sum of £25,000.

We agree to commence the service on the                      ‡, and in the event of such service not being commenced on such day, or on the first day thereafter which the Postmaster-General may fix as the day of sailing, we agree to pay to Her Majesty the sum of one hundred pounds for every day from that time until the said service shall be begun by us, but so that the whole amount of penalties for such failure shall not exceed £25,000.

And we agree to execute a contract for the performance of the said service, according to the said conditions marked A.

We are, Sir, your obedient servants,

(Signature)

(Address)

The Secretary of the Post Office.

\* All tenders must be addressed to the Secretary of the Post Office, with the words "Tender for the conveyance of Mails between Point de Galle and Sydney," in the left-hand corner of the envelope. Other things equal, a preference will be given to a tender made upon this printed form and in exact accordance therewith. Even, however, when this form is used, the parties tendering may, in a separate letter, to be forwarded with the tender, suggest, for consideration, any alteration in the conditions, or otherwise. The Postmaster-General does not engage, irrespective of other considerations, to accept the lowest tender, or even to accept any tender.

† It is not compulsory to fill up these blanks.

‡ It is desirable that the service should commence in February, 1866, but the parties tendering are at liberty to name a later day for the commencement, should they be unable to begin the service at the time named.

*Conditions referred to as marked A.*

1. Every vessel employed in this service must call on the voyage, in both directions, at King George's Sound and at Melbourne.

2. The mails must be conveyed from Point de Galle to Sydney in 516 hours, and from Sydney to Point de Galle in 564 hours, exclusive of stoppages, the duration of which will be fixed by the Postmaster-General.

3. Under the term "Her Majesty's Mails," are comprehended all boxes, bags, or packets of letters, newspapers, books or printed papers, and all other articles transmissible by the post, without regard either to the place to which they may be addressed, or to that in which they may have originated; also all empty bags, empty boxes, and other stores and articles, used or to be used in carrying on the Post Office service, which shall be sent by or to or from the Post office.

4. A premium of fifty pounds to be given for every complete period of twenty-four hours by which the time occupied in any voyage from Point de Galle to Sydney may be less than that allowed under the contract.

5. A penalty of five hundred pounds to be incurred on each occasion when the contractors fail in providing a vessel, in accordance with their contract, ready to put to sea at the appointed time, and a further penalty of one hundred pounds for every day's failure in providing such a vessel after such appointed time; but so that these penalties shall not in the aggregate exceed the part of the subsidy applicable to a single voyage, plus a sum of two thousand pounds. The contractors also to be subject to a penalty of two hundred pounds for every complete period of twenty-four hours consumed on any voyage, from whatever cause arising, beyond the number of hours allowed for the voyage; but so that the total amount of the last-named penalty for delay on any one voyage shall never exceed the part of the subsidy applicable to such voyage.

6. The payment by the contractors of any penalties shall in no way prejudice the right of the Postmaster-General to treat the failure to provide a proper vessel at the appointed time, or to perform a voyage at or within the appointed period, as a breach of the contract.

7. The contractors to supply, during the continuance of the contract, and to the satisfaction of the Postmaster-General, a sufficient number of steam vessels of adequate power, and in all respects suited for the performance of the service within the time stipulated in the tender.

8. The Postmaster-General to have power to require that the vessels to be used for the purposes of the contract shall be built on plans previously approved of by the Lords of the Admiralty.

9. The vessels to be always supplied with all necessary and proper machinery, engines, apparel, furniture, stores, tackle, boats, fuel, lamps, oil, tallow, provisions, anchors, cables, fire-pumps and other proper means for extinguishing fire, lightning conductors, charts, chronometers, proper nautical instruments, and whatsoever else may be necessary for equipping the said vessels and rendering them constantly efficient for the service to be performed. The vessels to be manned by legally qualified and competent officers, and a sufficient crew of engineers, able seamen and other men.

10. The vessels to be subject at all times to survey by officers in the employment of the Admiralty or Post Office, and any defect discovered on such survey to be immediately made good by the contractors; failing which, the vessel to be considered unfit for use, and the contractors to become liable to the penalties named in the 5th condition. The survey to extend not only to the vessels themselves, but also to the officers, engineers, crew, machinery, and every thing which the contractors are bound to provide.

11. The days and hours of departure and arrival at each port to be fixed by the Postmaster-General, and to be subject to alteration, from time to time, by him, on a notice to the contractors of three months. The Postmaster-General also to have power, by an order to the commander, to delay the departure of any vessel, from any port, for a period not exceeding 24 hours, and to delegate this power to any person to whom he may think fit to entrust it.

12. On giving reasonable notice to the contractors, the Postmaster-General to be at liberty otherwise to modify the service to be performed, as, for example, to increase or decrease the frequency of the conveyance of mails between any of the ports, or to extend the conveyance of mails to other ports, or to discontinue the conveyance of mails to any port. The amount to be paid or deducted for any alteration to be settled by agreement, or failing that, by arbitration in the usual manner.

13. The contractors to provide, to the satisfaction of the Postmaster-General, a separate and convenient place of deposit for the mails on board each vessel.

14. Should the Postmaster-General require it, a room for the purpose of sorting and making up the mails to be also provided, to the satisfaction of the Postmaster-General, on board each vessel. The actual cost of erecting this sorting-room, and of providing the necessary furniture, lamps, &c., to be defrayed by the Postmaster-General, but the furniture and lamps to be cleansed and kept in repair, and oil for the lamps to be supplied, at the cost of the contractors. The services of the crew to be given in the conveyance of the mails between the mail-room and the sorting-room.

15. Proper accommodation and mess to be provided for an officer of the Royal Navy in charge of the mails, and also, if required, for his servant. The Postmaster-General to have power to substitute for a naval officer and his servant, a civil officer of the Post Office to take charge of the mails and to be employed in sorting them, together with an assistant or servant. The naval or civil officers to be victualled and otherwise treated as chief cabin passengers, and assistants and servants as fore cabin passengers; and, whilst the packet stays at any port to or from which the mails are conveyed, to be all allowed to remain on board.

16. At each port where the mails are to be delivered or received, the officer having charge of them shall, whenever he may deem it necessary, be conveyed to and from the shore, with or without the mails (as he may desire), in a suitable boat of not less than four oars, to be furnished with effectual covering for the mails, and to be properly manned and equipped.

17. The contractors and all commanding and other officers of the vessels which may be employed in the performance of the contract, and all agents, seamen, and servants of the contractors, shall, at all times during the continuance of the contract, punctually attend to the orders of the Postmaster-General or of any of his officers or agents, as to the mode, time, and place of embarking and disembarking mails.

18. Should the Postmaster-General at any time deem it expedient to place the mails, or any part

thereof, in the care of the commander of any vessel, such commander shall take charge of them and be responsible for their due receipt and delivery. The commander shall also make the usual Post Office declaration, and furnish such journal, returns, and other information, and perform such other services as the Postmaster-General or his officers may from time to time require.

19. Except such letters as are not required by law to pass through the Post Office, the contractors not to receive, or permit to be received, for conveyance on board any of the vessels employed under the contract, any letters others than those contained in Her Majesty's mails. No mails must be conveyed on behalf of any Colony or Foreign Country without permission of Her Majesty's Postmaster-General; and the whole postage of every mail shall, under all circumstances, be at his disposal.

20. Every vessel which may have started, or which should have started before the termination of the contract must complete its voyage in like manner as if the contract remained in force.

21. The contractors, when so required, to be bound to convey from any one port of departure or call, to any other such port, any number of Government passengers, not exceeding four of the first class, two of the second, and ten of the third class, together, if so required, with their wives and children; such passengers with their families to be treated in no respect, whether as regards food, cabin or other accommodation, or aught else, in an inferior way to ordinary passengers of the same class, or than is required by the regulations of Her Majesty's Transport Service. The messing of the first and second class Government passengers to include each day an imperial pint of good sound bottled or draught ale or beer, and that of the first class, in addition, an imperial pint of good foreign wine, either port or white. The several classes of passengers to mess in separate places. Medical attendance, medicine and medical comforts to be provided, as also mess utensils and fittings, cooking utensils, articles for table use and mess places, fuel, lights, requisite articles of bedding, and all other necessaries. Third class passengers to have hammocks or bunks (subject to the approval of the Naval authorities) placed between decks.

22. The passage-money for Government passengers or their families to be the same as that charged by the contractors for ordinary passengers of a similar kind, and to include all the requisites specified in the twenty-first condition, and the freight of baggage according to Government scale. Whenever any alterations of rates for ordinary passengers may be made, the Postmaster-General and the Lords Commissioners of the Admiralty to be immediately apprised of such alterations.

23. Returns of the embarkation and disembarkation of all Government passengers to be furnished immediately after the departure and arrival of each vessel.

24. Payments for passage-money of Government passengers to be applied for by invoices according to a form to be obtained from the office of the Director of Transport Services, and to be made upon the production, to the Director, of the orders for the passages, together with a certificate, under the hand of the commanding officer, specifying the number of the third class passengers (men, women, and children) conveyed, with the ages and sexes of the latter, and stating the periods during which these have been regularly supplied, while on board, with provisions; and also of a certificate under the hand of each first and second class passenger, of his or her having been landed at the place of destination, and of having been properly accommodated and messed during the voyage, and specifying the dates from and to which they were so messed, computed from the first to the last dinner meal.

25. The passage-money for the wives and families of commissioned and civil officers, when not ordered to be conveyed at the public expense, to be paid to the contractors by the officers themselves.

26. The contractors to receive on board each of the vessels employed in the performance of the contract, and to convey, on behalf of the Admiralty, without charge, any small packages which may be ordered for conveyance, containing astronomical instruments, charts, wearing apparel, medicines, or other articles; and also (on receiving from the Postmaster-General, or his officers or agents, or from the British Naval Officer in command of the Station, two days' previous notice,) to receive on board any naval or other stores, not exceeding ten tons weight, or fifteen tons of forty cubic feet each in measurement, at any one time, in any one vessel; and to convey and deliver such stores at the lowest rate of freight charged by the contractors for private goods, immediate notice being given to the Lords Commissioners of the Admiralty of any alteration in such rate of freight. The contractors to be in all cases responsible for the custody and safe delivery of the packages and stores.

27. Except where otherwise specified, none of the duties enumerated in the foregoing conditions to give the contractors any claim to remuneration beyond the general subsidy.

28. Every sum of money forfeited by the contractors to be considered as stipulated or ascertained or liquidated damages and to be payable whether any damage shall or shall not have been sustained by reason of the breach for which the penalty may be levied. The amount to be deducted by the Postmaster-General out of any moneys then payable or which may thereafter become payable to the contractors; or, at his discretion, the payment thereof may be enforced, with full costs of suit.

29. The contract to continue in force until the expiration of a twenty-four calendar months notice, to be given in writing at any time by either party.

30. The contract will not be binding until it has lain upon the table of the House of Commons for one month, without disapproval, unless, previous to the lapse of that period, it has been approved of by a Resolution of the House.

31. Subject to deductions for penalties or otherwise, payments to be made quarterly at the General Post Office, out of moneys to be provided by Parliament.

32. All notices which the Postmaster-General or any of his officers or agents are authorized to give, either to be delivered to the commander of any vessel of the contractors or to any officer or agent of the contractors in charge of any of such vessels, or to be left at the office or last known place of business of the contractors.

33. In case of great public emergency, the Government to have power, at any time during the continuance of the contract, to purchase at a valuation any of the vessels employed under the contract, or to charter the same exclusively for Her Majesty's service; the amount of the valuation or rate of hire to be agreed on by the Admiralty and the contractors, or failing such agreement, by arbitration in the usual manner.

34. In case of any such purchase or hire, the contractors to be at liberty either to terminate the contract, or, if they can provide other vessels in proper time, to continue it, or, with the consent of the Postmaster-General, and on such terms as may be agreed upon, to continue to perform part only of the contract.

35. The contractors not to assign, underlet, or dispose of the contract, or any part thereof, without the consent in writing of the Postmaster-General.

36. In case of the breach of the thirty-fifth condition, or in case of a great or habitual breach of the contract of any other kind, the Postmaster-General to have power, and that without previous notice, to terminate the contract; such termination not to give the contractors any claim to compensation.

37. In pursuance of the provisions of the Act twenty-two Geo. III, c. forty-five, no member of the House of Commons to be admitted to any share of the contract, or to any benefit arising therefrom.

38. For the due fulfilment of the contract, the contractors to enter into a bond, with two responsible sureties, to be named in their tenders, in the penalty of £25,000. Such penalty to be considered and recoverable as liquidated damages.

39. Should any dispute arise respecting the interpretation of any part of the contract to be framed on the basis of these conditions, the same to be settled by arbitration in the usual manner; and a submission to arbitration may be made a rule of Court.

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FURTHER PAPERS RELATIVE TO THE

Enclosure 3 in No. 5.

Name of Colony.	Date of Despatch of Mails.	Date of Arrival in London.	Number of Letters by each Route.			Time occupied in reaching London.
			Via Suez.	Via Panama.	Via Torres Straits.	
NEW ZEALAND	November 17th, 1866.	From Wellington	14,207	(Estimated) 16,452	...	55 days, via Suez and Marseilles.
Do.	December 8th, "	Do.	...	...	...	54 " " Torres Straits.
Do.	No Mail	...	...	...	No Mail	No Mail, " Suez and Marseilles.
VICTORIA	November 28th, 1866.	Melbourne	45,275	...	...	44 days, " Suez and Marseilles.
Do.	29th, Do.	"	...	126	...	63 " " Panama.
Do.	No Mail	"	...	...	No Mail	No Mail, " Torres Straits.
SOUTH AUSTRALIA	November 29th, 1866.	Adelaide	11,598	...	...	43 days, " Suez and Marseilles.
Do.	October 31st, 1866.	Do.	...	1	...	92 " " Panama.
Do.	No Mail	...	...	...	No Mail	No Mail, " Torres Straits.
WESTERN AUSTRALIA	December 4th, 1866.	Albany	1,576	...	...	38 days, " Suez and Marseilles.
Do.	No Mail	...	...	No Mail	...	No Mail, " Panama.
Do.	Do.	...	...	...	No Mail	Do. " Torres Straits.
NEW SOUTH WALES	November 24th, 1866.	Sydney	17,061	...	...	48 days, " Suez and Marseilles.
Do.	December 1st, "	"	...	1,912	...	61 " " Panama.
Do.	No Mail	...	...	...	No Mail	No Mail, " Torres Straits.
QUEENSLAND	November 20th, 1866.	Brisbane	9,339	...	...	52 days, " Suez and Marseilles.
Do.	28th, "	Do.	...	137	...	64 " " Panama.
Do.	No Mail	...	...	...	No Mail	No Mail, " Torres Straits.
TASMANIA	November 25th, 1866.	Hobart Town	3,145	...	...	47 days, " Suez and Marseilles.
Do.	28th, "	Do.	...	43	...	64 " " Panama.
Do.	No Mail	...	...	...	No Mail	No Mail, " Torres Straits.
		Totals	102,201	18,671	...	
NEW ZEALAND	December 17th, 1866.	Wellington	7,630	17,298	...	56 days, via Suez and Marseilles.
Do.	January 8th, "	Do.	...	...	...	52 " " Panama.
Do.	No Mail	...	...	...	No Mail	No Mail, " Torres Straits.
VICTORIA	December 28th, 1866.	Melbourne	35,315	...	...	45 days, " Suez and Marseilles.
Do.	28th, "	Do.	...	90	...	63 " " Panama.
Do.	No Mail	...	...	...	No Mail	No Mail, " Torres Straits.
SOUTH AUSTRALIA	December 29th, 1866.	Adelaide	9,429	...	...	44 days, " Suez and Marseilles.
Do.	4th, "	Do.	...	1	...	87 " " Panama.
Do.	No Mail	...	...	...	No Mail	No Mail, " Torres Straits.
WESTERN AUSTRALIA	January 3rd, 1867.	Albany	1,433	...	...	39 days, " Suez and Marseilles.
Do.	No Mail	...	...	No Mail	...	No Mail, " Panama.
Do.	Do.	...	...	...	No Mail	Do. " Torres Straits.
NEW SOUTH WALES	December 24th, 1866.	Sydney	14,209	...	...	49 days, " Suez and Marseilles.
Do.	January 1st, 1867.	Do.	...	2,555	...	59 " " Panama.
Do.	No Mail	...	...	...	No Mail	No Mail, " Torres Straits.
QUEENSLAND	December 21st, 1866.	Brisbane	8,017	...	...	52 days, " Suez and Marseilles.
Do.	29th, "	Do.	...	424	...	62 " " Panama.
Do.	No Mail	...	...	...	No Mail	No Mail, " Torres Straits.
TASMANIA	December 25th, 1866.	Hobart Town	2,680	...	...	48 days, " Suez and Marseilles.
Do.	28th, "	Do.	...	21	...	63 " " Panama.
Do.	No Mail	...	...	...	No Mail	No Mail, " Torres Straits.
		Totals	78,713	20,389	...	



Enclosure—continued.

Name of Colony.	Date of Despatch of Mails.	Date of Arrival in London.	Number of Letters by each Route.		Time occupied in reaching London.
			Via Suez.	Via Panama.	
NEW ZEALAND	January 20th, 1867. Marine Post Office	March 14th and 21st, 1867	9,510	(Estimated.)	53 days, via Suez and Marseilles.
Do.	February 6th " Do.	April 3rd	...	19,505	56 " Panama.
VICTORIA	January 28th, 1867. Melbourne	March 14th and 21st, 1867	48,170	...	No Mail, " Torres Straits.
Do.	" 26th, " Do.	April 3rd	...	58	45 days, " Suez and Marseilles.
SOUTH AUSTRALIA	" No Mail	No Mail	14,285	...	67 " Panama.
Do.	January 29th, 1867. Adelaide	March 14th and 21st, 1867	...	2	No Mail, " Torres Straits.
Do.	" 22nd, " Do.	April 3rd	2,110	...	44 days, " Suez and Marseilles.
WESTERN AUSTRALIA	" No Mail	March 14th and 21st, 1867	...	No Mail	No Mail, " Torres Straits.
Do.	February 2nd, 1867. Albany	No Mail	18,456	...	40 days, " Suez and Marseilles.
Do.	Do.	Do.	...	...	No Mail, " Panama.
NEW SOUTH WALES	January 25th, 1867. Sydney	March 14th and 21st, 1867	...	2,417	Do. " Torres Straits.
Do.	" 30th, " Do.	April 3rd	...	...	48 days, " Suez and Marseilles.
QUEENSLAND	December 15th, 1866. Do.	March 3rd and 8th	9,912	...	63 " Panama.
Do.	January 21st, 1867. Brisbane	March 14th and 21st, 1867	...	No Mail	78 " Torres Straits.
Do.	No Mail	No Mail	...	...	52 days, " Suez and Marseilles.
TASMANIA	December 23rd, 1866. Gladstone	March 3rd and 8th, 1867	3,903	...	No Mail, " Panama.
Do.	January 25th, 1867. Hobart Town	March 14th and 21st, 1867	...	No Mail	70 days, " Torres Straits.
Do.	Do.	Do.	...	...	48 days, " Suez and Marseilles.
	Totals	Totals	106,346	21,982	No Mail, " Panama.
NEW ZEALAND	February 21st, 1867. Marine Post Office	April 12th and 18th, 1867	7,350	21,230	50 days, via Suez and Marseilles.
Do.	March 8th, " Do.	May 14th	...	...	67 " Panama.
VICTORIA	February 26th, 1867. Melbourne	No Mail	40,180	...	No Mail, " Torres Straits.
Do.	Do.	No Mail	...	No Mail	45 days, " Suez and Marseilles.
SOUTH AUSTRALIA	February 27th, 1867. Adelaide	Do.	8,233	...	No Mail, " Panama.
Do.	Do.	April 12th and 18th, 1867	...	No Mail	Do. " Torres Straits.
WESTERN AUSTRALIA	March 4th, 1867. Albany	No Mail	1,643	...	44 days, " Suez and Marseilles.
Do.	Do.	Do.	...	No Mail	No Mail, " Panama.
Do.	Do.	April 12th and 18th, 1867	17,853	...	Do. " Torres Straits.
NEW SOUTH WALES	February 23rd, 1867. Sydney	Do.	...	8,255	39 days, " Suez and Marseilles.
Do.	March 1st, " Do.	May 14th	...	...	No Mail, " Panama.
Do.	No Mail	No Mail	8,216	...	48 days, " Suez and Marseilles.
QUEENSLAND	February 19th, 1867. Brisbane	No Mail	...	No Mail	74 " Panama.
Do.	No Mail	No Mail	...	...	No Mail, " Torres Straits.
Do.	Do.	Do.	...	No Mail	52 days, " Suez and Marseilles.
TASMANIA	February 23rd, 1867. Hobart Town	No Mail	3,326	...	No Mail, " Panama.
Do.	Do.	April 12th and 18th, 1867	...	No Mail	Do. " Torres Straits.
Do.	Do.	No Mail	...	No Mail	48 days, " Suez and Marseilles.
	Totals	Totals	86,801	24,485	No Mail, " Panama.

## Enclosure—continued.

Name of Colony.	Date of Despatch of Mails.	Date of Arrival in London.	Number of Letters by each Route.			Time occupied in reaching London.
			Via Suez.	Via Panama.	Via Torres Straits.	
NEW ZEALAND	March 18th, 1867. Wellington	May 12th and 19th, 1867	7,669	(Estimated.) 19,795	...	55 days, <i>via</i> Suez and Marseilles.
Do.	Date of departure not given, assumed to be April 8th, 1867.	" 26th	...	...	...	48 " " Panama.
VICTORIA	No Mail	No Mail	48,555	No Mail	No Mail	No Mail, " Torres Straits.
Do.	March 28th, 1867. Melbourne	May 12th and 19th, 1867	...	...	...	45 days, " Suez and Marseilles.
Do.	No Mail	No Mail	...	...	...	No Mail, " Panama
SOUTH AUSTRALIA	Do.	Do.	11,975	No Mail	No Mail	Do. " Torres Straits.
Do.	March 29th, 1867. Adelaide	May 12th and 19th, 1867	...	...	...	44 days, " Suez and Marseilles.
Do.	No Mail	No Mail	...	...	...	No Mail, " Panama.
WESTERN AUSTRALIA	Do.	Do.	1,523	No Mail	No Mail	Do. " Torres Straits.
Do.	April 3rd, 1867. Albany	May 12th and 19th, 1867	...	...	...	39 days, " Suez and Marseilles.
Do.	No Mail	No Mail	...	...	...	No Mail, " Panama.
NEW SOUTH WALES	Do.	Do.	16,862	3,846	No Mail	Do. " Torres Straits.
Do.	March 25th, 1867. Sydney	May 12th and 19th, 1867	...	...	...	48 days, " Suez and Marseilles.
Do.	April 1st, " Do.	" 26th,	...	...	...	55 " " Panama.
QUEENSLAND	No Mail	No Mail	9,369	No Mail	No Mail	No Mail, " Torres Straits.
Do.	March 22nd, 1867. Brisbane	May 12th and 19th, 1867	...	...	...	51 days, " Suez and Marseilles.
Do.	No Mail	No Mail	...	...	...	No Mail, " Panama.
TASMANIA	Do.	Do.	3,582	No Mail	No Mail	Do. " Torres Straits.
Do.	March 25th, 1867. Hobart Town	May 12th and 19th, 1867	...	...	...	48 days, " Suez and Marseilles.
Do.	No Mail	No Mail	...	...	...	No Mail, " Panama.
Do.	Do.	Do.	...	...	...	Do. " Torres Straits.
NEW ZEALAND	April 21st, 1867. Marine Post Office	June 14th and 19th, 1867	99,485	23,141	...	54 days, <i>via</i> Suez and Marseilles.
Do.	May 8th, " Do.	" 26th,	...	...	...	49 " " Panama.
Do.	No Mail	No Mail	7,319	22,310	No Mail	No Mail, " Torres Straits.
VICTORIA	Do.	Do.	44,442	No Mail	No Mail	47 days, " Suez and Marseilles.
Do.	April 28th, 1867. Melbourne	June 14th and 19th, 1867	...	...	...	No Mail, " Panama.
Do.	No Mail	No Mail	...	...	...	Do. " Torres Straits.
SOUTH AUSTRALIA	Do.	Do.	11,881	No Mail	No Mail	46 days, " Suez and Marseilles.
Do.	April 29th, 1867. Adelaide	June 14th and 19th, 1867	...	...	...	No Mail, " Panama.
Do.	No Mail	No Mail	...	...	...	Do. " Torres Straits.
Do.	Do.	Do.	1,666	No Mail	No Mail	41 days, " Suez and Marseilles.
Do.	May 4th, 1867. Albany	June 14th and 19th, 1867	...	...	...	No Mail, " Panama.
Do.	No Mail	No Mail	...	...	...	Do. " Torres Straits.
WESTERN AUSTRALIA	Do.	Do.	16,638	4,039	No Mail	51 days, " Suez and Marseilles.
Do.	April 24th, 1867. Sydney	June 14th and 19th, 1867	...	...	...	55 " " Panama.
Do.	May 2nd, " Do.	" 26th,	...	...	...	No Mail, " Torres Straits.
NEW SOUTH WALES	Do.	Do.	9,048	No Mail	No Mail	54 days, " Suez and Marseilles.
Do.	No Mail	No Mail	...	...	...	No Mail, " Panama.
Do.	April 21st, 1867. Brisbane	June 14th and 19th, 1867	...	...	...	Do. " Torres Straits.
Do.	No Mail	No Mail	...	...	...	50 days, " Suez and Marseilles.
Do.	Do.	Do.	3,591	No Mail	No Mail	No Mail, " Panama.
TASMANIA	Do.	Do.	...	...	...	Do. " Torres Straits.
Do.	April 25th, 1867. Hobart Town	June 14th and 19th, 1867	...	...	...	50 days, " Suez and Marseilles.
Do.	No Mail	No Mail	...	...	...	No Mail, " Panama.
Do.	Do.	Do.	94,585	26,349	No Mail	Do. " Torres Straits.
Totals		Totals				

Name of Colony.	Date of Despatch of Mails.		Date of Arrival in London.	Number of Letters by each Route.			Time occupied in reaching London.
	From			Via Suez.	Via Panama.	Via Torres Straits.	
NEW ZEALAND	May 25th, 1867.	Marine Post Office	July 20th and 25th, 1867	7,294	(Estimated.)	...	56 days, via Suez and Marseilles.
Do.	June 8th, "	Do.	No Mail	...	19,361	...	49 " Panama.
VICTORIA	No Mail	Do.	No Mail	...	...	No Mail	No Mail, " Torres Straits.
Do.	May 28th, 1867.	Melbourne	July 20th and 25th, 1867	46,296	...	...	53 days, " Suez and Marseilles.
Do.	" 28th, "	Do.	No Mail	...	72	...	60 " Panama.
SOUTH AUSTRALIA	No Mail	Adelaide	July 20th and 25th, 1867	11,840	...	No Mail	No Mail, " Torres Straits.
Do.	May 29th, 1867.	Do.	No Mail	...	1	...	52 days, " Suez and Marseilles.
Do.	" 22nd, "	Do.	No Mail	...	...	...	66 " Panama.
WESTERN AUSTRALIA	No Mail	Albany	July 20th and 25th, 1867	1,586	...	No Mail	No Mail, " Torres Straits.
Do.	June 4th, 1867.	Do.	No Mail	...	...	...	46 days, " Suez and Marseilles.
Do.	No Mail	Do.	No Mail	...	No Mail	...	No Mail, " Panama.
NEW SOUTH WALES	Do.	Sydney	July 20th and 25th, 1867	17,715	...	No Mail	Do. " Torres Straits.
Do.	May 25th, 1867.	Do.	No Mail	...	...	...	56 days, " Suez and Marseilles.
Do.	June 1st, "	Do.	No Mail	...	2,628	...	56 " Panama.
QUEENSLAND	No Mail	Brisbane	July 20th and 25th, 1867	10,451	...	No Mail	No Mail, " Torres Straits.
Do.	May 21st, 1867.	Do.	No Mail	...	...	...	60 days, " Suez and Marseilles.
Do.	" 27th, "	Do.	No Mail	...	85	...	61 " Panama.
TASMANIA	No Mail	Hobart Town	July 20th and 25th, 1867	3,593	...	No Mail	No Mail, " Torres Straits.
Do.	May 25th, 1867.	Do.	No Mail	...	...	...	56 days, " Suez and Marseilles.
Do.	No Mail	Do.	No Mail	...	No Mail	...	No Mail, " Panama.
Do.	Do.	Do.	Totals	98,275	22,147	...	Do. " Torres Straits.

S U M M A R Y.

AVERAGE TIME OCCUPIED BY THE HOMEWARD MAILS FROM EACH COLONY IN THE FIRST SEVEN MONTHS OF 1867.

From	Via Suez and Marseilles.	Via Panama.	Via Torres Straits.	Loss or Gain by the Panama Route as compared with Suez Route.	Days.
NEW ZEALAND	54 1-7ths days	53 4-7ths days	No Mails sent	4-7ths gain	...
VICTORIA	46 2-7ths "	63 1-7th "	Do.	17 loss	...
SOUTH AUSTRALIA	45 2-7ths "	73* "	Do.	33½ loss, or under proper arrangements about 23 days' loss	...
WESTERN AUSTRALIA	40 2-7ths "	No Mail sent	No Mail sent	...	...
NEW SOUTH WALES	49 5-7ths "	60 3-7ths days	Only one Mail received.	Time 78 days	28½ loss.
QUEENSLAND	53 2-7ths "	62½ "	Only one Mail received.	Time 70 days†	16½ "
TASMANIA	49 2-7ths "	63½ "	No Mail sent	...	...

Average Number of Letters received monthly from Australia Proper, 89,520. Average Number of Letters received monthly from New Zealand, 28,133.

\* This would probably have been reduced to 69 days if the steamer from South Australia had been fitted to the departure of the Packet leaving Melbourne with the Panama Mails.

† The average time occupied between Queensland and London in six voyages made via Torres Straits in 1866 was 66½ days.

MELBOURNE POSTAL CONFERENCE.

No. 6.

Copy of Despatch from the SECRETARY OF STATE to Governor Sir GEORGE GREY.

SIR,—

Downing Street, 24th October, 1867.

Adverting to my Circular Despatch of the 19th instant, respecting the postal service between Australia and this country, I have the honor to inform you that Her Majesty's Government consider it necessary that the conditions numbered twenty-one, twenty-two, thirty-five, and thirty-six, should be inserted in any forms of tender which may be prepared by the Australian Governments concerned, in addition to those specified in the concluding paragraph of the Treasury letter, to which your attention has already been called.

Governor Sir George Grey, K.C.B., &c.

I have, &c.,  
BUCKINGHAM AND CHANDOS.

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No. 7.

Copy of a Letter from the Hon. J. C. RICHMOND to the COLONIAL SECRETARY,  
New South Wales.

SIR,—

Colonial Secretary's Office,

Wellington, 16th March, 1868.

Adverting to the two Circular Despatches, dated respectively 19th October and 24th October, 1867, on the subject of the Postal Services between Australia and England, and of the proposals of the Postal Conference at Melbourne in March last, I have the honor to request you to be good enough to inform me what steps the Government of New South Wales proposes to take in reference to this matter.

The Hon. the Colonial Secretary,  
New South Wales.

I am, &c.,  
J. C. RICHMOND,  
(for the Colonial Secretary.)