

acting on behalf of the Colonies they respectively represent, agreed to the following terms for the establishment of a Postal Service between these Colonies and England :—

1. The above-mentioned Colonies shall contribute towards the maintenance of two Postal lines—the one between London and Sydney, by the way of Suez, and the other between London and Melbourne, by the way of San Francisco—a sum not exceeding £123,000 per annum, in the proportions following, based on the relative population of such Colonies, namely :—

	Estimated Population (exclusive of Aborigines).	Proportionate Payment.
Victoria .. .. .	728,734	£54,958 13 3
New South Wales .. .. .	501,580	37,827 9 5
South Australia .. .. .	185,626	13,999 6 0
Queensland .. .. .	115,000	8,672 18 2
Tasmania .. .. .	100,000	7,541 13 2
	<u>1,630,940</u>	<u>£123,000 0 0</u>

This sum is fixed on the assumption that one-half the total cost of both services shall be borne by the Imperial Government.

2. Such contributions shall be paid subject to the conditions following :—

- (1.) The mails shall be delivered both ways and on both routes within forty-eight days ; that is to say, from London to Sydney, and from Sydney to London, by way of Suez, within forty-eight days, and from London to Melbourne and from Melbourne to London, by the way of San Francisco, within forty-eight days.
- (2.) The steamers running by way of Suez shall call both ways, and receive and deliver mails at Glenelg (Holdfast Bay), in South Australia, and at Melbourne in Victoria.
- (3.) The steamers running by way of San Francisco shall call both ways and deliver and receive mails at Moreton Island, in Queensland, and at Sydney, in New South Wales.
- (4.) The time tables of the two lines shall be so arranged as to provide for the arrival and despatch of a mail every fortnight.

3. The Colony of New Zealand shall be permitted to join in and enjoy the benefit of this agreement on undertaking to pay the proportion of the entire cost (£123,000) on the basis of population, and to provide any branch service necessary to enable her to avail herself of the arrangement. The contribution of the Colonies would then stand thus :—

Colony.	Estimated Population (exclusive of Aborigines).	Proportionate Payment.
Victoria .. .. .	728,734	£47,492 11 2
New South Wales .. .. .	501,580	32,688 12 9
South Australia .. .. .	185,626	12,097 9 9
Queensland .. .. .	115,000	7,494 14 0
Tasmania .. .. .	100,000	6,517 3 0
New Zealand .. .. .	256,393	16,709 9 4
	<u>1,887,333</u>	<u>£123,000 0 0</u>

4. In the event of a contribution being made by Western Australia, New Caledonia, the Sandwich Islands, or any other colony or country, towards the above services, or either of them, such contribution shall be applied to diminishing the payments of the Colonies entering into this agreement in the proportions in which they have hereby agreed to pay.

5. Any agreement made with the Colony of New Zealand or any other country or colony to enable such colony or country to share in the advantages of this contract shall be so framed as not to extend the time above agreed upon within which mails are to be delivered in London and in Sydney and Melbourne.

6. Any contract made for the services above mentioned by way of Suez and San Francisco may be for a period of five years certain, with a proviso that it shall continue in force after such period, unless two years before the expiration of such five years any one of the Colonies gives notice of withdrawal from the contract ; and two years' notice given by any one Colony being a party to this agreement, at any time after the expiration of three years from the commencement of the contract, shall terminate such contract.

7. Any contract made for either of the above lines may contain stipulations for enforcing performance similar to those inserted in the existing contract for the service by way of Suez.

8. The Government of the United States shall be invited to contribute towards the maintenance of the San Francisco line ; and in the event of the total amount contributed by the Colonies parties to this contract being by reason of such contributions or by any other reason, less than the sum of £123,000, the amounts paid by the Colonies parties hereto shall be in the like proportion as that above fixed for the payment of the £123,000.

9. No Colony party to this agreement shall give the two years' notice above mentioned without at the same time giving notice to the other parties to this agreement.