

1873.

NEW ZEALAND.

# ENGLISH MAIL SERVICES.

(FURTHER PAPERS RELATING TO).

*Presented to both Houses of the General Assembly by command of His Excellency.*

No. 1.

COPY of a DESPATCH from the Right Hon. the Earl of KIMBERLEY to Governor the Right Hon. Sir JAMES FERGUSSON, Bart., &c.

SIR,—

Downing Street, 13th June, 1873.

Her Majesty's Government have had under their consideration the proceedings of the Conference held at Sydney in January last, with reference to postal communication between England and the Australasian Colonies.

2. When it became apparent from the telegrams conveying the Resolutions adopted by the majority of the Conference that there was a serious difference upon the question of the terminus of the line between Galle and Australia, Her Majesty's Government postponed their decision on the whole subject until the arrival by mail of full statements of the arguments relied upon by either side.

3. Upon examination of these arguments, it became clear that the question at issue was one in which Her Majesty's Government must decline to take any part, and I shall express no opinion upon the reasons adduced in favour of the adoption of either terminus. In order to make clear the position of Her Majesty's Government in this matter, it is necessary to recur to the letter from the Treasury of 10th of August last, copy of which was transmitted in my Despatch of 4th September last. It was the object of the proposal contained in that letter to relieve Her Majesty's Government from all liability to be involved in the controversies between the different Colonies on the subject of the mail routes; and in order, therefore, that the Imperial Government should not be a party to any future contract for the service between Galle and Australia, it was suggested that the Colonies should themselves in combination provide such service. On the separate question of a second monthly service a different condition was deemed advisable, and the Treasury offered to consider the question of an Imperial contribution to such second service if the Colonies should arrange for it conjointly, or by a substantial majority.

4. As the Colonies in Conference failed to agree upon a plan by which they should provide in combination for a service between Galle and Australia, and the difference which had arisen was one which Her Majesty's Government could not undertake to settle; while the time for making fresh arrangements in lieu of the service which is to terminate in December next was becoming short, I telegraphed to you on the 28th April as follows:—

“The Colonies not being unanimous as to terms for the future monthly service, the offer by Her Majesty's Government of terms to be agreed to in combination has not been accepted. Sufficient time is not left before determination of contract for further consideration of permanent plan; but P. and O. Company have offered to continue present service temporarily for two years at present rates, or for three years at reduction of £12,000 a year, steamers calling in both cases at Glenelg. We request concurrence of Colony in extension of contract for either two or three years as Her Majesty's Government may decide, but with intimation of Colony's preference. Reply by telegraph.”

5. To this New South Wales, South Australia, and Western Australia replied that they agreed, and preferred the extension of the contract for three years; Queensland preferred the extension of the contract for two years; and Victoria declined to entertain the proposal.

6. On learning that there was again an absence of unanimity on the question of the temporary extension of the existing contract, Her Majesty's Government came to the determination that it would be expedient to adopt the arrangement which I explained to you in my telegram of 16th May, and the details of which are fully given in the correspondence, copy of which is enclosed herewith; and I trust that it will be felt that this arrangement is liberal and fair to all parties. I am informed that the Colony of Victoria has already concluded a contract for a service from Galle to Melbourne, and that Queensland has also contracted for a line from Singapore to Brisbane. In the event of a service from San Francisco to Australia or New Zealand being established, its maintenance will be greatly assisted through the assumption by Her Majesty's Government of the whole cost of the transit of postal matter between this country and San Francisco.

I have, &amp;c.,

KIMBERLEY.

Governor the Right Hon. Sir James Fergusson, Bart., &amp;c.

## Enclosure No. 1.

Mr. LINGEN to the UNDER SECRETARY of STATE, Colonial Office.

SIR,—

Treasury Chambers, 16th May, 1873.

With reference to your letter of the 13th instant, I am directed by the Lords Commissioners of Her Majesty's Treasury to transmit to you, to be laid before Lord Kimberley, the enclosed copy of

correspondence with the Postmaster-General as to the proposal which my Lords have decided to make for the conveyance of the Australasian mails, and of the substance of which the Secretary of State is already aware.

As the proposal has met with the general concurrence of the Postmaster-General, my Lords further desire me to request that you will move Lord Kimberley to give directions that the following telegram may be at once communicated to the Governments of the various Colonies concerned:—

“Our proposal for temporary prolongation of present mail service, not being unanimously accepted, is withdrawn.

“We have determined to carry mails to and from Galle, Singapore, and San Francisco, and this country, free of charge. If service is established by any one or more Colonies from Galle, we will pay to each Colony contributing to such service, postage received on outward mail matter conveyed by such route to the Colony so contributing, less transit charges and inland British postage; provided steamers touch each way at a port in Western Australia. Similar payment will be made in case of establishment of service from Singapore or from San Francisco. Arrangement to continue for five years.”

I am, &c.,

The Under Secretary of State, Colonial Office.

R. R. W. LINGEN.

### Sub-Enclosure 1 in Enclosure No. 1.

Mr. STRONGE to the POSTMASTER-GENERAL.

SIR,—

Treasury Chambers, 14th May, 1873.

With reference to the previous correspondence on the subject of the Australasian Mail Service, I am directed by the Lords Commissioners of Her Majesty's Treasury to inform you that the proposal made by Her Majesty's Government to the Australasian Colonies that the present contract should be temporarily renewed not having been unanimously accepted by them, is withdrawn. I am further to acquaint you that my Lords now propose to carry the mails to Galle, Singapore, and San Francisco free of charge.

If a service is established by any one or more of the Australasian Colonies from Galle, they will be prepared to pay to each Colony contributing to such service the postage received on outward mail matter conveyed by such route to the Colony so contributing, less transit charges and inland British postage, provided that steamers touch each way at a port in Western Australia.

My Lords will also be prepared to make a similar payment in case of the establishment of a service from Singapore or from San Francisco, and to continue such arrangement for five years.

Their Lordships request that you will favour them with your observations on these proposals at your earliest convenience.

I am, &c.,

CHARLES W. STRONGE,  
*Pro Sec.*

The Postmaster-General.

### Sub-Enclosure 2 in Enclosure No. 1.

Mr. MONSELL to the LORDS of the TREASURY.

MY LORDS,—

General Post Office, 15th May, 1873.

I have the honor to acknowledge the receipt of your Lordship's letter of yesterday's date on the subject of the Australasian Mail Service, in which you state that it is proposed to carry those mails to Point de Galle, Singapore, and San Francisco free of charge; and that to each of the Colonies which undertakes to contribute towards the cost of a service from Galle, you will be prepared to make over the postage received on the outward correspondence for the Colony so contributing—less transit charges and the British inland rate of postage—but on the understanding that the packets shall touch each way at a port in Western Australia.

It is further stated, that a similar payment will be made in case of the establishment of a service from Singapore or from San Francisco.

The arrangement to continue in force for five years.

Under the proposed system, each Colony will receive fivepence on each half-ounce letter conveyed from, and sixpence on each half-ounce letter conveyed to England *via* Galle or *via* Singapore, whether by the Southampton or the Brindisi route.

But in the case of letters sent *via* San Francisco, the Colony will have to pay out of these sums the United States territorial transit charge for the conveyance from New York to San Francisco of a letter from this country, and the United States territorial and sea transit rates on a letter sent to this country.

As regards newspapers, printed papers, and patterns sent to the Australasian Colonies, this office will retain that portion only which represents the British inland rate and any charge for transit, and will account to the Colonies for the rest of the postage collected; and the Colonies will account to this office for the transit postage collected on homeward newspapers, printed papers, and patterns sent *via* Brindisi; for the United States land transit on all newspapers, printed papers, and patterns sent to the Colonies *via* San Francisco; and for the United States land and sea transit of all newspapers, printed papers, and patterns sent from the Colonies *via* San Francisco.

Should these proposals lead to regular and efficient services being established and maintained, so that English merchants trading with Australia will have no ground for complaint, it appears to me that the scheme will perhaps afford the easiest, if not the only way, out of the extreme difficulties with which the whole question is beset.

Looked at financially, the effect of the scheme will be somewhat beneficial to the Imperial revenue, as compared with the existing arrangement.

I have, &c.,

The Lords Commissioners of the Treasury.

W. MONSELL.

## Enclosure No. 2.

The SECRETARY to the TREASURY to the UNDER SECRETARY, Colonial Office.

SIR,—

Treasury Chambers, 10th June, 1873.

Referring to previous correspondence on the subject of the Australian Mail Service, I am directed by the Lords Commissioners of Her Majesty's Treasury to transmit to you, for the information of the Earl of Kimberley, a copy of a letter addressed by their Lordships' direction to the Postmaster-General, with a copy of Mr. Monsell's reply, from which His Lordship will learn what is the operation and financial effect of the arrangement finally determined upon as communicated to the Colonies in His Lordship's telegram of the 16th May.

I am, &c.,

CHAS. W. STRONGE,

*Pro Sec.*

The Under Secretary of State, Colonial Office.

## Sub-Enclosure 1 in Enclosure No. 2.

The SECRETARY to the TREASURY to the POSTMASTER-GENERAL.

SIR,—

Treasury Chambers, 2nd June, 1873.

With reference to your letter of the 15th ultimo, I am commanded by the Lords Commissioners of Her Majesty's Treasury to transmit to you a copy of a telegram which the Earl of Kimberley has, at their Lordships' request, sent to the Governors of the Australasian Colonies on the subject of the mail service between those Colonies and this country.

You will perceive that under the terms of this telegram the proposal communicated to you in my letter of the 14th May has been somewhat extended, and the offer made by their Lordships is that the mails from this country to Australia and New Zealand shall be carried free of charge (other than foreign charge for land transit where the Brindisi route is used), not only to Galle and Singapore, but also to San Francisco; and that the homeward mails shall in like manner be brought to this country from each of those places without charge beyond that for land transit by the Brindisi route.

On all outward correspondence, therefore, the Imperial Post Office should account to the Colonial Post Office for all the postage collected, except that portion which represents the British inland rate, and (in the case of the Brindisi route) the amount paid for foreign land transit; and on the homeward correspondence the Colonial Post Office should retain all the postage collected, except that portion which represents the charge for land transit *via* Brindisi.

Under this plan the Colonies will not be required to account for the United States sea rate on letters or newspapers, printed papers, or patterns sent to this country *via* San Francisco.

I am to request that my Lords may be furnished with a memorandum showing the financial effect of these arrangements.

I am, &c.,

CHAS. W. STRONGE,

*Pro Sec.*

The Postmaster-General.

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

The SECRETARY to the POSTMASTER-GENERAL to the SECRETARY to the Treasury.

SIR,—

General Post Office, 5th June, 1873.

In accordance with the request made in the concluding paragraph of your letter of the 2nd instant, I am directed by the Postmaster-General to transmit to you a memorandum showing the financial effect of the proposals which your Lordships have decided to make for the conveyance of the Australasian mails on the assumption that the mails sent *via* San Francisco shall be conveyed between the United Kingdom and that port, free of any charge to the Colonies, whether for land or sea transit.

I am, &c.,

JOHN TILLEY.

The Secretary to the Treasury.

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

## AUSTRALIAN MAILS—AMENDED MEMORANDUM.

	Year 1873.	£	£
Imperial contribution to the service between Galle and Sydney	...	64,500	
Less—Colonial contribution to the service between England and Galle	...	29,000	
Net Imperial contribution	...	35,500	
Outward postage on correspondence <i>via</i> Galle	...	42,700	
Net Imperial revenue on correspondence <i>via</i> Galle	...	...	7,200
Outward postage on correspondence <i>via</i> San Francisco	...	11,000	
Deduct—Payments to the United States for land transit outwards, and land and sea transit homewards	...	£5,080	
Less—Amount recovered from the Colonies	...	2,320	
Net Imperial revenue on correspondence <i>via</i> San Francisco	...	2,760	8,240
Total	...	...	<u>£15,440</u>

	<i>New Scheme.</i>	£
Inland postage on all outward mail matter	... ..	15,500
Less—Payment to United States for land transit outwards, and land and sea postage homewards (as in 1872)	... ..	5,080
Net Imperial postage	... ..	<u>£10,420</u>

General Post Office, 10th June, 1873.

## No. 2.

The Hon. J. G. FRANCIS to the Hon. the COLONIAL SECRETARY.

SIR,—

Chief Secretary's Office, Melbourne, 23rd August, 1873.

I have the honor to renew the correspondence in reference to the suspended negotiations relating to the Mail Contracts, and to express my regret for the long interval which has taken place before this Government was able to state definitely the course which it proposed to suggest for the conveyance of the mails between this and Galle under the contract which this Colony has entered into with the Peninsular and Oriental Company.

The main cause of the delay has arisen from the necessarily tedious course of post between Victoria and New Zealand in connection with preliminary correspondence; but I am now in position to make a proposal as to the terms upon which the mails of the other Australasian Colonies can be conveyed between Melbourne and Galle and *vice versa*, and I trust that the evidence they afford of the desire of this Colony to remove every cause of difference, and to maintain friendly relations with her neighbours, may be appreciated in the same cordial spirit in which the offer is made; and I can scarcely have any doubt of misconstruction on this point, as the proposed conditions, while leaving the obligations of the contract on this Colony, relieve every other of any share in the responsibility incurred, and reduce for them the expenditure on the Suez route to the equivalent of the actual postages received, less the reduction made for inland British postage, &c., and the cost of the branch services respectively from Melbourne.

I beg to enclose you a Memorandum which has been furnished to me for this purpose by my colleague, the Minister of the Post Office Department, and which sufficiently explains our offer, and therefrom you will perceive it is left for each Colony to adjust with the Imperial authorities for the refund of the larger portion of the amount which they receive for outward postage, thus avoiding any necessity for intervening agency; and I shall be obliged for any suggestion as to the means you would prefer should be taken in order to ascertain the equivalent of the letter rates at sixpence the half ounce, or fraction of half ounce, as charged by all Post Offices respectively for a single letter, so that the basis of postage receipts may govern commensurate payments to this Colony; and as it is understood that the mails passing by this route will be forwarded as received, and be interfered with as little as possible, provided the correspondence is accounted for according to the usual practice, and as shown by the stamps on the correspondence.

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

I have, &c.,

JAS. G. FRANCIS.

## Enclosure in No. 2.

MEMORANDUM for the Hon. the CHIEF SECRETARY.

AFTER having considered the communications which have passed between this Government and the Governments of the other Australian Colonies on the subject of the conveyance of mails under the contract entered into by Victoria with the Peninsular and Oriental Steam Navigation Company, I have the honor to suggest that the following may be communicated to the respective Governments concerned as the terms upon which their mails will be conveyed after the expiration of the existing contract.

From Melbourne to Point de Galle, and from Point de Galle to Melbourne, at the following rates, viz. :—

Letters—For every $\frac{1}{2}$ oz. or fraction of $\frac{1}{2}$ oz.	... ..	6d.
Packets—Not exceeding 1 oz.	... ..	1d.
Exceeding 1 oz. and not exceeding 2 oz.	... ..	2d.
For every additional 2 oz. or fraction of 2 oz. after the first 2 oz.	... ..	2d.
Newspapers—Each	... ..	1d.

The Colonies to provide at their own cost for their branch services, and to receive from and pay to the Imperial Government all postages collected in England and charges for transit beyond Point de Galle.

In order to determine in the simplest manner the amount to be paid by each Colony, and to avoid the labour and delay which would be involved in taking an account of the postage actually collected on the letters by each mail, I beg to suggest that a fixed rate per letter, irrespective of weight, be ascertained and agreed upon by the respective Postal Departments as the equivalent of the letter rates named above.

With each mail forwarded to Melbourne for transmission to Galle a way-bill should be furnished, showing the number of letters, packets, and newspapers it contains, upon which the amount payable to this Colony could be calculated; and a similar method could be used in regard to the mails from Europe.

Accounts to be furnished by this Colony and settlements made every three months.

In regard to the cost of the stoppage at Glenelg, estimated by the Company at £10,000 per annum, I think it would be equitable that the Colony of South Australia should contribute £5,000 per annum, in addition to the rates of postage already referred to.

20th August, 1873.

EDWARD LANGTON,  
Minister of Post and Telegraph Departments.

No. 3.

The Hon. Dr. POLLEN to the Hon. the CHIEF SECRETARY, Victoria.

SIR,—

Colonial Secretary's Office, Wellington, 16th September, 1873.

I have the honor to acknowledge the receipt of your letter of the 23rd August, in which you state that the Government of Victoria are willing to carry the New Zealand mails between Melbourne and Galle and Galle and Melbourne, on receipt of the postages described in your letter, the Government of New Zealand to provide for carrying the mails between Melbourne and New Zealand.

I have the honor to state that the Government of New Zealand accept your proposal.

With respect to the question you raise as to the mode of taking an account, I enclose for your information copy of a Memorandum by the Acting Secretary to the General Post Office, suggesting the adoption of a plan similar to that adopted by the Imperial Government, in the case of the correspondence by the Panama Service.

We shall be happy to adopt any reasonable plan you may consider desirable for taking the account of postages. Certainly, as you remark, there are great objections to having the mails examined after they reach, or before they leave, Melbourne. As there may be difficulty in sending way-bills with each mail, probably you would not object to the way-bills following as soon as possible after the mails.

On the whole, it appears to the Postmaster-General that the best course you can adopt in taking an account will be the course that the English Government will adopt in coming to a conclusion as to the amounts to be allowed to the Colonies for postages on letters. It is not meant that the net amounts will be the same; for the Postmaster-General understands that you require the full amount of the postages on letters carried: but it is meant, that the mode taken of ascertaining the amount of correspondence upon which returns to the Colonies will be allowed, should be equally serviceable for taking the accounts of the Colonies separately. It is probable that the Imperial Post Office will adopt a course similar to that adopted during the Panama Service, namely, striking an average of the weights for two or three months, by which means a conclusion will be arrived at as to the average number of letters contained in a given weight. By weighing correspondence in gross, before it is put into bags, the amount to be charged will be easily ascertained.

I have, &c.,  
DANIEL POLLEN.

The Hon. the Chief Secretary, Victoria.

Enclosure in No. 3.

MEMORANDUM for the POSTMASTER-GENERAL.

It is considered more desirable to adopt an arrangement similar to that carried out by the Imperial Post Office with this Colony shortly after the Panama Service was established, rather than to account for a fixed rate of postage for each letter, book-packet, and newspaper. The London Post Office at first accounted for a fixed sum on each letter, &c., sent from London to New Zealand by the Panama line of steamers; but as this involved an immense amount of labour in checking, both to the despatching and receiving offices, it was deemed advisable to adopt the system of accounting for a fixed rate, according to the weight in bulk of the correspondence contained in each mail. Special accounts were prepared by the London Office in order to determine the average rate of postage, according to weight, which would yield the actual postages collected on each class of correspondence; and it was estimated that 1s. 7½d. per oz. for letters, 1s. 6¾d. per lb. for book-packets, and 6½d. per lb. for newspapers, represented the gross collections. As this is presumed to be an extreme average, and as it is also desirable to avoid the fractional parts of a penny, it is submitted that this Colony might, with equal fairness to the Government of Victoria, account at the following rates, viz.:—On letters, at 1s. 7d. per oz.; on book-packets, at 1s. 6d. per lb.; and on newspapers, at 6d. per lb.; and if this basis of payment were adopted, it is believed that the payments would approximately represent the actual postages.

In order to arrive at the net weight of the contents of each mail, it was the practice to take the total weight of the letters, after they were tied up in the ordinary bundles, but before being placed in wrapping paper. The book-packets and newspapers were weighed in mail bags, the tare being taken into account.

Supposing this basis of payment to have been applied to the total correspondence despatched to, and received from, Great Britain during 1872, the following would be an approximate statement of this Colony's liability in respect of the Suez Service:—

Payments,—

	£	s.	d.	£	s.	d.
On Letters ... ..	18,734	6	4			
On Books ... ..	1,967	2	0			
On Newspapers ... ..	3,797	4	0			
				24,498	12	4

## Recoveries from the Imperial Post Office,—

	£	s.	d.	£	s.	d.
On Letters ... ..	8,144	0	0			
On Books ... ..	1,201	8	4			
On Newspapers ... ..	1,509	11	6			
	<hr/>			10,854	19	10
Net cost of main line ... ..				£13,643	12	6
Add cost of branch service ... ..				5,000	0	0
				<hr/>		
Total net cost ... ..				£18,643	12	6

The amount of recoveries has been calculated on the assumption that the London Office would continue to credit the Colonies with 1s. 4d. per oz. on letters, 1s. 1d. per lb. on book-packets, and 3d. per lb. on newspapers, as their share of the postage on correspondence originating in Great Britain, as was the case during the existence of the Panama Service. This leaves for Inland British Postage 3½d. per oz. on letters, 5½d. per lb. on book-packets, and 3d. per lb. on newspapers.

The recoveries from London will be subject to deductions on account of transit charges for conveying outward mails by the Brindisi route; but as these charges are provided for by the additional postages collected on correspondence sent by that route, the probable payments have not been taken into account in the foregoing statement.

If the Melbourne Government agree to the adoption of this proposed basis of payment, it would be only necessary to ascertain whether the London Office would revert to the system in operation during the existence of the Panama Mail Service.

It would be almost impossible to give effect to the request made by the Melbourne Post Office, that a way-bill, showing the contents in each mail, should be forwarded with all mails from this Colony. This would compel every despatching office to send to Melbourne a statement of the correspondence contained in each mail. It is suggested that this office deal with the matter, transmitting monthly a statement of the correspondence despatched to Melbourne for transmission *via* Galle during the previous month, together with a statement of the correspondence received by the inward mails. This would not prevent settlements being made quarterly.

9th September, 1873.

W. GRAY.

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By Authority: GEORGE DIBSBURY, Government Printer, Wellington.