No. 15.

The Hon. Sir J. Vogel to the Hon. the Postmaster-General, Sydney.

Wellington, 9th August, 1876. (Telegram.) TELEGRAPHED you July 3rd asking if you had received information from Mackrell respecting Cunningham's compromise on what you proposed. Have no answer. May I ask you be kind enough reply?

The Hon. the Postmaster-General, Sydney.

JULIUS VOGEL.

No. 16.

The Hon. J. F. Burns to the Hon. Sir J. Vogel.

(Telegram.) Sydney, 9th August, 1876. SURPRISED Mackrell has not communicated with you. We have nothing from him since date of our telegram to you March 25th. I intend consulting colleagues again to-morrow respecting compromise. J. F. Burns,

The Hon. Sir J. Vogel, Wellington.

Postmaster-General.

No. 17.

Messrs. John Mackrell and Co., to the Hon. Sir J. Vogel. Re Old Postal Contracts.—Samuel and Another v. Hall and Others.

DEAR SIR JULIUS,— 21, Cannon Street, London, 7th July, 1876.
We beg to report that on the 13th March we received from the Agent-General for New South Wales a letter inviting us to see him upon a telegram he had received from his Government, of which the following is a copy:—
"See Mackrell. We are offered ten thousand pounds final settlement all claims against all parties

concerned with regard Forbes-Cunningham-Hall.

Not having received any instructions from you upon the subject, we conferred with the Agent-General for New Zealand upon the matter, and it was considered right that we should obtain instructions from your Government before offering any opinion upon the subject, accordingly we telegraphed to you as follows :-

"Sydney Government are offered ten thousand pounds final settlement all claims against all parties concerned with regard Forbes-Cunningham-Hall Contract, and are favourable to acceptance. Do you authorize acceptance? Should be exclusive of De Bussche's settlement and costs."

We received your telegram in reply:-

"Two Governments want your advice; shall they accept ten thousand offered by Cunningham or

try for more?"

We thereupon at once conferred with the Agent-General for New South Wales upon the subject. Having regard to the telegram which he had received as above mentioned, it was thought that it was desired that we should advise through him, as his Government were conducting the negotiation, and we settled a telegram to be sent by him to his Government, of which the following is a copy:-

"Mackrell advises that Governments, having offered to accept £15,000 in settlement of all claims against all parties, could hardly now ask for more, and that if they accept the £10,000 and stipulate to preserve settlement made with De Bussche, and to have £500 for costs, they would get about £12,500, and probably about £1,500 more. Forbes will have to repay De Bussche."

It was expected both by him and by ourselves that this telegram would be communicated immediately by his Government to you, and we thought it therefore unnecessary to go to the expense of duplicating the telegram by sending it to you direct, and we did not know until the receipt of your telegram sent viâ Adelaide, on the 17th May, which reached us on the 4th instant, that you had received no communication from the New South Wales Government.

The Agent-General for New South Wales has received no reply to his telegram, and we are without

instructions what course to take.

We have been pressing the trustee of Mr. De Bussche's estate to declare a dividend with the moneys now in hand amounting to about £1,800, and at last have succeeded in getting the necessary notices issued, so that it may be divided after the 15th instant.

There is an unpaid balance of £700 on the second instalment, for which the trustee has obtained some security, and it is expected that the two next instalments, amounting together to £2,500, will be paid.

We hope, therefore, that we may be able to get ultimately from Mr. De Bussche from £2,000 to

£2,500 by way of dividend.

We also thought it right, having regard to the expenses which have been incurred in England and in America in the proceedings now pending, that the Government should stipulate to receive a sum which would recoup these expenses.

Before the Agent-General for New South Wales sent his telegram, we ascertained, at his request, that the costs in New York up to that time were about £120, and we thought it not unreasonable, under the circumstances, to suggest asking for a sum of £500, although that would more than cover the cost incurred.