the present Brindisi rate, and 1d. more than the Southampton rate, which was reduced from 6d. to 4d. on the 1st of April last. In the case of letters to Australia the rate would be 7d. The amount derived from the supplementary charge of 1d. per half-ounce will not be quite sufficient to cover the payments to France and Italy; but the loss which will fall upon the department will probably be less than we should have to pay to the Peninsular and Oriental Company, or any other company by whose vessels the slow portion of the mails might be sent between England and Suez.

I have accordingly to request the authority of your Lordships to adopt the arrangements which I have here proposed. Before coming to a decision your Lordships will no doubt consult the Secretary of State for India, as the Indian Government bears a portion of the expense of the Eastern mail contract, and will also refer to Sir Michael Hicks Beach the proposal, so far as it affects the charge on letters exchanged with the Australian Colonies and New Zealand, or with Ceylon, the Straits Settlements, or Hong Kong.

I have, &c.,

The Lords Commissioners of the Treasury.

JOHN MANNERS.

Enclosure 2 in No. 3. The Colonial Office to the Treasury.

Sir,— Downing Street, 30th July, 1879.

I am directed by the Secretary of State for the Colonies to acknowledge the receipt of your letter of the 23rd instant, enclosing a copy of a letter from the Postmaster-General respecting future arrangements for the conveyance of the Eastern and Australian mails now carried *via*

Southampton and via Brindisi.

With regard to the proposal contained therein, so far as it affects the correspondence with the colonies concerned—viz., that the mails shall in future be carried via Brindisi alone—I am to request that you will move the Lords Commissioners of the Treasury to cause Sir Michael Hicks Beach to be informed what are the proposed rates for books and papers; and, secondly, whether, as the raising of the minimum postal charge would appear to bear hardly on the poorer classes, it might not be arranged that letters, &c., should still be conveyed as far as Suez by the numerous steamers trading between this country and the East, as "ship-letters," at the present, or even a lower rate.

I have, &c.,

The Secretary to the Treasury.

R. G. W. HERBERT.

Enclosure 3 in No. 3.

The Treasury to the Colonial Office.

Treasury Chambers, 14th August, 1879.

I am directed by the Lords Commissioners of Her Majesty's Treasury to transmit to you herewith, for the information of Secretary Sir Michael Hicks Beach with reference to your letter of the 30th ultimo respecting the Eastern and Australian Mail Service, copy of a letter which my Lords have received from the Postmaster-General, dated the 8th instant.

I have, &c.,

R. G. W. Herbert, Esq., Colonial Office.

WILLIAM LAW.

Sub-Enclosure to Enclosure 3 in No. 3.

The Post Office to the Treasury.

My Lords,— General Post Office, 8th August, 1879.

In returning the enclosed reference from the Treasury, of the 1st ultimo, I have the honor to state, in reply to the first questionraised by Her Majesty's Secretary of State for the Colonies, that, in the event of the Eastern and Australian mails being forwarded *via* Brindisi alone, as recommended in my report to your Lordships dated the 17th ultimo, I should propose to fix the postage rates upon newspapers, books, &c., as follows:—

Newspapers, at 1½d. per four ounces, in lieu of the present rates of 1d. via Southampton,

and 2d. via Brindisi.

Book-packets, patterns, &c., at 1½d. per two ounces, in lieu of the present rates of 1d. per

ounce via Southampton, and 2d. per ounce via Brindisi.

As regards the question of sending extra mails as far as Suez by the steamers trading between this country and the East as ship-letters, I beg leave to inform you that, in accordance with the general practice of this office, any letters or newspapers which the senders might specially address for transmission by private ship would be forwarded as desired. Such letters, &c., would be liable only to the present rates of postage chargeable by the Southampton route.

I have, &c.,

The Lords Commissioners of Her Majesty's Treasury.

JOHN MANNERS.

No. 4.

Memorandum from the Hon. the Premier for His Excellency the Governor.

Ministers have the honor to acknowledge receipt of His Excellency's memorandum of the 28th August last, intimating that a telegraphic despatch had been received from the Secretary of