Sub-Enclosure 1 to Enclosure in No. 21. The TREASURY to the COLONIAL OFFICE.

Treasury Chambers, 23rd February, 1880. Sir,—

I am commanded by the Lords Commissioners of Her Majesty's Treasury to transmit herewith copy of a report from the Postmaster-General, dated the 21st instant, having reference to the letters from the Colonial Office, dated the 13th, 18th, and 19th instant, relative to proposals made on behalf of the Colony of Victoria by the Right Honourable Hugh C. Eardley Childers, under which the postage on the correspondence, newspapers, books, and patterns between this country, Victoria and the other Australian Colonies, and New Zealand, now forwarded via Brindisi, and which are carried by the Victoria contract packet between Ceylon and Australia, should be fixed at the same rates as were charged up to the first of this month on the Australian correspondence, &c., conveyed by the Southampton route; and I am to request that in laying the same before Secretary Sir Michael Hicks Beach you will state to him that my Lords agree to the terms submitted by Mr. Childers on behalf of Victoria, and will therefore issue instructions to the Postmaster-General to prepare the necessary warrant for fixing the postage at the rates proposed. As the Government of Queensland has not, however, signified its acquiescence in an arrangement being made as regards the correspondence, &c., of that colony, which is sent by way of Singapore, similar to that proposed on behalf of Victoria, the postage on such correspondence, &c., will have to remain as fixed by the recent warrant; but, on learning that the Government of Queensland is prepared to agree to terms similar to those now sanctioned with respect to Victoria, my Lords will be ready to give directions for reducing the postage on correspondence, &c., conveyed by the Queensland contract packets to the same rates as those which will be charged on correspondence, &c., carried by the Victoria packets.

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

I have, &c., H. Selwin Ibbetson.

Sub-Enclosure 2 to Enclosure in No. 21.

The General Post Office to the Treasury.

General Post Office, London, 21st February, 1880. My Lords, I have the honor to return the three accompanying letters from the Colonial Office, referred to me on the 20th instant.

Two of these letters cover communications from Mr. Childers, M.P., on the subject of the proposals which he made on the 3rd instant, that the rates of postage on letters, newspapers, and book-packets sent to and from the United Kingdom via Brindisi and Point de Galle, and thence by the packets subsidized by the Government of Victoria, should be at once reduced to the rates hitherto charged for correspondence sent via Southampton in the case of all the Australian Colonies and New Zealand, the Government of Victoria undertaking to be responsible that practically the same arrangements in regard to the division of the postage shall be adopted by

the other colonies that are offered by Victoria itself.

Mr. Childers has now supplied what was deficient in his former letter, but he states that he can make no offer with regard to correspondence sent to or from Queensland via Brindisi and

Singapore, and thence by the packet subsidized by the Queensland Government.

On this point I made a separate report to your Lordships on the 16th instant. Lordships be disposed to agree to the reduction suggested, it will remain to be decided whether you will wait for a further communication from the Premier of Queensland, or whether you will leave the postage on correspondence sent to Queensland or any other Australian colony via Singapore and Torres Straits at the present amount, and apply the reduced rates to such correspondence only as is forwarded via Point de Galle by the Victoria packet.

The Lords Commissioners of Her Majesty's Treasury.

Sir,—

JOHN MANNERS.

P.S.—So far as this department is concerned, I see no objection to the adoption of the latter course.—J.M.

Sub-Enclosure 3 to Enclosure in No. 21.

Mr. Thomas McIlwraith to the Colonial Office.

Queensland Government Offices, 32, Charing Cross, London, S.W.,

25th February, 1880.

On account of my absence from London I received your letter of the 18th instant only to-day. I have examined carefully the explanation of the existing and proposed arrangements for postal charges in the letter from the Post Office Department to the Treasury accompanying yours, and find the proposed arrangement as therein explained more equitable than as set forth in the memorandum of the Right Hon. H. C. E. Childers. Considering that it would be highly disadvantageous to Queensland that the postal rates to and from that colony via Brindisi should be different and higher than those to and from the adjoining colonies, I agree, on behalf