

No. 4.

The Right Hon. the SECRETARY of STATE to His Excellency the GOVERNOR.

SIR,—

Downing Street, 26th August, 1879.

I have the honor to transmit to you, for your information and for that of your Government, a copy of a letter from the Treasury, with its enclosures, respecting the contract which has been entered into for a period of eight years between the Peninsular and Oriental Company and the Government of Victoria for a fortnightly mail service between Ceylon and Melbourne, calling at King George's Sound and Adelaide, to commence on the 1st of February next.

Governor Sir Hercules Robinson, G.C.M.G., &c.

I have, &c.,

M. E. HICKS BEACH.

Enclosure in No. 4.

The TREASURY to the COLONIAL OFFICE.

SIR,—

Treasury Chambers, 18th August, 1879.

I am commanded by the Lords Commissioners of Her Majesty's Treasury to transmit to you herewith, for the information of Secretary Sir Michael Hicks Beach, copies of a letter from the Postmaster-General, dated the 14th instant, and of the letter from the Peninsular and Oriental Steam Navigation Company enclosed therein (with two of the printed enclosures) respecting the contract which has been concluded between that Company and the Government of Victoria for the conveyance of mails between Ceylon and Melbourne, calling at King George's Sound and Adelaide.

I have, &c.,

WILLIAM LAW.

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

Sub-Enclosure 1 to Enclosure in No. 4.

The GENERAL POST OFFICE to the TREASURY.

MY LORDS,—

General Post Office, 14th August, 1879.

I have received from the Peninsular and Oriental Steam Navigation Company a letter announcing that a contract has been concluded between that Company and the Government of Victoria for the conveyance of mails between Ceylon and Melbourne, calling at King George's Sound and Adelaide, by a fortnightly service, commencing on the 1st of February next.

The Directors have sent me some copies of a letter which they addressed with their tender to the Agent-General for the Government of Victoria, and have expressed a wish that copies might be placed in your Lordship's hands, and those of Her Majesty's Secretary of State for the Colonies.

I have the honor accordingly to send your Lordships a copy of the Company's letter, together with four copies of the enclosure referred to.

I have, &c.,

JOHN MANNERS.

The Lords Commissioners of Her Majesty's Treasury.

Sub-Enclosure 2 to Enclosure in No. 4.

The PENINSULAR AND ORIENTAL COMPANY to the SECRETARY, General Post Office, London.

Peninsular and Oriental Steam Navigation Company's Offices,
122, Leadenhall Street, London, E.C., 6th August, 1879.

SIR,—

I have the honor to acquaint you, for the information of the Postmaster-General, that the Directors have received a telegram from the Company's agent at Melbourne to the effect that the Government of Victoria have signed a contract with this Company for the conveyance of mails between Ceylon and Melbourne, calling at King George's Sound and Adelaide, by a fortnightly service, commencing on the 1st of February next. This contract is for a period of eight years, and, as you are already doubtless aware, it is to be worked in connection with the new contract for the India and China mail services.

2. As soon as the Directors receive the contract from Australia, they will hand you a copy of the same for the information of your department. Meantime, in view of the fact that there seems to have been an attempt made by some of the Company's opponents to misrepresent the position both of the Government and the Company in reference to the Eastern mail contracts, the Directors think it may perhaps be useful to you to be put in possession of the reasons upon which the Company based their tender to the Government of Victoria, as you are already fully acquainted with those which actuated them in tendering for the India and China services from the letters addressed to you which accompanied these tenders. I am therefore desired to hand you the enclosed copy of a letter addressed by the Directors to the Agent-General of the Government of Victoria on the occasion of transmitting their tender to that Government for the Australian mail service, for which the contract has just been signed, and you will observe that the Directors therein not only explain the grounds on which they made their proposals for a fortnightly service between Ceylon and Australia, but they also dealt with the whole question of mail communication with that country, about which, as you are aware, there has been from time to time much controversy.

3. The Directors need scarcely remind you that great jealousy and diversity of opinion has existed between the different colonies on this question of mail communication; a state of things which has hitherto been prejudicial to the regular and periodic movement of correspondence, inasmuch as none of the routes employed have succeeded in dovetailing with each other so as to effect exact fortnightly services. It was the desire of the Directors to make such a proposal for a new service as would have the effect of harmonizing the postal interests of all the Australian Colonies; and they venture to believe that, by the regular fortnightly service which is now contracted for, this object will certainly be effected, to the great advantage of commercial as well as general interests. It will be perceived that