

The plan, therefore, which my Lords propose, may be thus shortly summed up :

1. That they shall instruct the Admiralty to obtain tenders, by open competition, for a monthly postal service between this country and Australia, the vessels, outward and homeward, touching at King George's Sound, Melbourne, and Sydney, carrying the mails for the six Colonies of New South Wales, Victoria, South Australia, Western Australia, Van Diemen's Land, and New Zealand.

2. That branch services shall be established by open competition from Melbourne, as the central point, with Port Adelaide, Van Diemen's Land, and New Zealand.

3. That all letters and newspapers shall be prepaid, and that each post-office shall retain its own receipts.

4. That the entire cost of the services described shall be divided equally between the Home Government and the Colonies collectively.

5. That each of the Colonies shall contribute to the moiety to be paid by them collectively, in proportion to the number of letters despatched by each, to be ascertained every two years.

In the first place it will be necessary to obtain from each of the Colonies named a duly authorized legislative acquiescence in the arrangement proposed. For this purpose, let a copy of this Minute be transmitted to the Colonial Office, and request that the Secretary of State will take the necessary steps with that view. But state that as some time must elapse before replies can be received from the different Colonies, and as my Lords are anxious that no time should be lost in re-establishing a monthly mail by steam, my Lords, relying upon the correspondence now before them from the Governors of New South Wales, Victoria, and South Australia, have decided to take immediate steps in order to secure a commencement of the service at the earliest possible time after the receipt of communications from the different Colonies acquiescing in the proposed arrangements.

Write to the Secretary of the Admiralty, and request that the Lords Commissioners of the Admiralty will take immediate steps to procure tenders for a monthly postal communication by steam with Australia, on the following conditions, and report to this Board before any contract is actually made :

1. The tenders to be delivered within two months of the date of the advertisement.
2. The tenders to specify the route and the maximum number of days between the departure of the mail from Southampton and its arrival at Melbourne, and Sydney, and King George's Sound, respectively ; and also the number of days on the homeward route.
3. That the service shall be performed under a penalty of £100 a-day for delay in starting, and £30 a-day for any time consumed in the voyage beyond the allowed maximum.
4. The contractors to state in what time from the acceptance of their tender they will be prepared (under a penalty to be agreed upon) to commence the service.
5. The contractors to give such adequate security as to the Lords of the Admiralty may appear necessary for the payment of any penalties which may become due, and generally for the performance of the contract ; which penalties in no case whatever shall be relinquished.
6. The contract to be for five years.

Transmit copy of this Minute to the Colonial Office, Admiralty, and Post Office, for their information and guidance.

(Signed) JAMES WILSON.