

is not at present required for the purposes for which that loan has been authorised to be raised ; and that the amount will be replaced from Colonial funds in sufficient time to prevent any delay or inconvenience in carrying out the intentions of the Imperial Parliament and the Legislature of New Zealand, in regard to the objects to which that loan is properly applicable.

I am, &c.,

(Signed) JAMES WILSON.

H. Merivale, Esq.

Treasury Chambers,
13th March, 1858.

SIR,—

With reference to previous correspondence relative to the establishment of a Postal Service between this Country and New Zealand, I am commanded by the Lords Commissioners of Her Majesty's Treasury to transmit to you, for the information of Lord Stanley, the enclosed copy of a letter from Mr. Sewell, relative to the proposed advance, from the sum to be raised on account of the guaranteed Loan to New Zealand, of the sum of £25,000, for the purposes of the Postal Service ;—and I am to state that My Lords consider the assurance therein given as sufficient to authorize the advance of this sum.

I am, at the same time to acquaint you that My Lords have requested the Lords of the Admiralty to cause a contract to be prepared for the performance of the Postal Service, in the terms proposed in Mr. Sewell's letter of 17th ultimo,—received with your letter of 25th ultimo.

The Postmaster General has been informed of this arrangement ;—and a copy of Mr. Sewell's letter of 17th ultimo,—has been forwarded to him.

I have, &c.,

(Signed) GEO. A. HAMILTON.

H. Merivale, Esq.

Radley,
5th March, 1858.

SIR,—

I have received a letter from the Earl of Carnarvon, enclosing a copy of Mr. Wilson's letter to Mr. Merivale of the 27th ultimo, on the subject of the Postal Service of New Zealand. His Lordship states, that "it appears essential that the Lords Commissioners of the Treasury should be satisfied on the question raised by the concluding sentence of Mr. Wilson's letter ;—and, for the purpose of satisfying them, it will be best that I should place myself in direct communication with the Treasury, in furtherance of the proposed arrangement."

The Lords of the Treasury require to be satisfied that the sum of £25,000 proposed to be advanced "is not at present required for the purposes for which the loan has been authorized to be raised ; and that the amount will be replaced from Colonial Funds in sufficient time to prevent any delay or inconvenience in carrying out the intentions of the Imperial Parliament and the Legislature of New Zealand in regard to the objects to which that loan is properly applicable."

From my knowledge of the financial position and arrangements of the New Zealand Government, I am able to state that the sum in question is not required for the purposes for which the loan has been authorized to be raised ; and that, assuming the proposed arrangement to be carried into effect, the amount will be replaced in sufficient time to prevent any delay or inconvenience in carrying out the intentions of the respective Legislatures in regard to the objects of the loan.

I have, &c.,

(Signed) H. SEWELL.

To the Secretary to the Treasury.

Radley, Abingdon Berks,
April 8, 1858.

SIR,—

In my former letters I apprised you of the completion of an arrangement for the postal service. I repeat its general outline. The contractors are Messrs. Pearson, Coleman, & Co., Shipowners of Hull. They are under engagement to place 4 steamers on the Service. One of 800 tons (builders' measurement) for the service between Sydney and New Zealand, two of 500 tons each, builders' measurement, for the Inter-provincial Service (one of such Boats to be available for casualties) and one smaller steamer of 300 tons, builders' measurement, for general service and to be available as may be required. The route as suggested by me is as follows : The large Steamer to leave Sydney within, say, 24 hours after the arrival of the English mail, for Nelson, arriving there say at the outside in 7 days ; at Nelson, the mails for the Southern Provinces to be taken on by an Inter-Provincial steamer, successively to Wellington, Canterbury and Otago, returning to Nelson in about a fortnight with the homeward mails. The mails for New Plymouth and Auckland to be taken on from Nelson in the large steamer, which should wait a reasonable number of days in Manukau, returning to Nelson in time to pick up the Southern mails and carry the whole of the New Zealand Mails back to Sydney in time to meet the next monthly homeward-bound steamer. By this arrangement all the Provinces will have the opportunity of receiving and answering letters within the shortest possible time. Letters from England may in this way, be answered in five months. I do not think it possible to devise any other route by which this can be accomplished ; but it is stipulated that the route shall be open to alteration if circumstances prove that it is desirable.