COPY OF A CIRCULAR DESPATCH FROM LORD CARNARVON TO GOV. GORE BROWNE, C.B.

Downing-Street, 12th April, 1859.

SIR,-

I have the honor to enclose for your information the accompanying copy of a Letter from the Treas, 17th Dec. Treasury, and of the answer from this Department, relative to the Draft Contract with the Peninsular Post Office. and Oriental Company for the Australian and Mauritius Mail Service.

C. O. 8th Jan.

I deferred sending out this correspondence under the impression that I should almost immediately be in a position to transmit to you the Contract itself in its formal shape. But, as circumstances have accidentally delayed its final execution, I think it advisable to send you the accompanying papers, in order that you may be apprised of the progress of the matter up to the present date.

I have, &c.,

(Signed) CARNARVON. In the absence of Sir E. B. Lytton.

Governor Gore Browne, C.B., &c., &c., New Zealand.

SIR C. E. TREVELYAN TO MR. MERIVALE.

Treasury Chambers, 17th December, 1858.

SIR,-

I am desired by the Lords Commissioners of Her Majesty's Treasury to transmit, for the (Enclosure.) information of Secretary Sir E. B. Lytton, the enclosed Draft Contract with the Peninsular and Oriental Company for the Australian and Mauritius Mail Services, and also a Letter from the Post-master-General thereon; and I am to request that you will call the attention of the Secretary of State to that part of the Postmaster-General's Letter which relates to a change of vessels at Mel-

I am to state that my Lords are desirous of knowing whether the Secretary of State is of opinion, having reference to the advantages pointed out by the Postmaster-General's Letter, that this change of vessels may be sanctioned.

I am to request that the Papers, being in original, may be returned to this Department. I am, &c.,

(Signed)

C. E. TREVELYAN.

Herman Merivale, Esq, &c., &c., &c.

LORD COLCHESTER TO THE LORDS COMMISSIONERS OF THE TREASURY.

General Post-Office, 14th December, 1858.

My Lords,-

I have the honor to return the Draft Contract with the Peninsular and Oriental Company [Enclosure.) for the Australian and Mauritius Mail Service, referred to me on the 2d instant, and to offer the fol-

lowing observations in respect to certain of the provisions of this Contract.

1st. The Table marked A, referred to in folio 5, is not with the Draft, but I presume that it is the same Time Table, a proof of which was forwarded to me by the Company on the 8th ultimo, with a request that I would communicate my views respecting it to the Lords Commissioners of the Admiralty for their guidance in preparing the Contract. In compliance with that request, I drew the attention of the Board of Admiralty to that part of the scheme by which it appeared that it was the intention of the Company to send the Packet for Suez as far as Melbourne only, and to perform the Services between Melbourne and Sydney by means of a branch Packet; and I suggested that, before this arrangement was sanctioned, the Secretary of State for the Colonies should be consulted, as the Government of Victoria had made it a condition, when agreeing to pay their share of the present subsidy, that the stay at Melbourne of the Homeward Packet should be at least forty-eight hours, exclusive of Sunday, Christmas-day, or Good Friday.

I am not aware whether my suggestion was adopted, but the question has since been raised whether the people of New South Wales will not complain, if the main Packet does not go on to

Sydney.

I presume, however, that the Admiralty will take care that a vessel of sufficient size, and supplying ample accommodation, is employed for this branch Service, and, as it is proposed to transfer the Mails to and from the steamers on the main line at Port Philip Heads, the outward Mails for New South Wales will obviously be delivered at Sydney much earlier than they would be if the steamer from Suez proceeded with them to Sydney after landing the Mails at Melbourne, and the Homeward Mails, instead of being detained two days at Melbourne, will be despatched two days later from Sydney, thus lengthening the interval for replies. These advantages will be so great that I can hardly suppose any serious objection will be made to the arrangement on behalf of New South Wales.