FURTHER PAPERS RELATIVE TO THE

No. 2.

CAPTAIN VINE HALL TO THE POSTMASTER-GENERAL OF NEW ZEALAND.

January 14th, 1862.

SIR,-

I am about despatching the "Airedale" with the January Mails, and believe she will be found very much improved both in speed and comfort.

I had a most satisfactory trial trip on the 11th instant, realizing a speed of ten knots, every

thing working well.

I intend refitting the ships successively, which I shall be enabled to do by sending the "Prince Alfred" another trip, perhaps two, soon after which I expect her new boilers will be out, when she will have her turn of a thorough refit. When she is completed, or very soon after, I fully expect our first new ship, either for the direct Auckland service or the trunk line. Another new ship to follow will enable us to work the New Zealand Mail Service most efficiently.

There is one point on which I would request your attentive consideration, and that is the very unusual amount of spare gear for the engines, suggested by the Government Engineers for the "Lord Worsley," and ordered by the Government Inspector for that ship and the others; I am most ready to do all that can really improve the ships and the working of the service, as the large sums I am now disbursing and the attention I am giving to the subject sufficiently shew; but I do think it a hardship to attempt to burden the ships with expenses in all probability useless. The ships and their stores were approved of by the Admiralty in England; what spare gear they had then is still on board, and if more had been considered necessary, I presume it would have been ordered. Please note accompanying memorandum on this subject.

I respectfully submit that the contract does not bind us to furnish any particular spare gear. The ships are to be maintained in working order; but it is the opinion of the most eminent engineers, confirmed by my own experience, that it is extremely difficult, if not impossible, to say what part of a well constructed engine is the most liable to give way. There are certain small parts, as valves, bolts, nuts and screws, &c., which experience shews are subject to constant wear; these of course are always supplied. To be absolutely safe and in a position to repair any casualty

to an engine, nothing short of an entire duplicate of the whole would suffice.

If any rational improvement can be suggested, I am only too happy to carry it out, but I cannot see the advantage of encumbering the ships with heavy pieces of machinery which will in all probability never be used. In any case great delay must occur before a set of spare gear can be procured. For the heavier parts I must send to England where the patterns are, and the workmanship is more to be depended upon than here.

Besides, I do not know the extent to which this system may not be carried out, and I beg of observe that whilst our subsidy is less than that of any other Mail Service, our expenses are double, and therefore it cannot reasonably be expected that our ships are to be put to a very much greater outlay for spare material, &c., than any other steamers afloat, except Men-of-War; whose establishment is no criterion for Merchant or Mail Steamers.

I had the honor to reply to your letters of dates November 23rd, December 5th, 6th, 7th, and trust my communications were satisfactory.

Happy at all times to co-operate in all that lies in my power to promote the good conduct of the Mail Service.

I have, &c.,

JOHN VINE HALL

The Hon. the Postmaster-General, New Zealand.

No. 3.

CAPTAIN VINE HALL TO POSTMASTER-GENERAL, NEW ZEALAND.

Inter-Colonial Royal Mail Company, Sydney and New Zealand, January 16th, 1862,

SIR.-

I beg to forward you a letter from Lord Claud Hamilton, Chairman of I.R.M.C., in reply to communications of 14th August and 5th September, 1861. I also enclose copy of an important letter from Mr. Pearson to his Lordship, relative to the origin of the contract and its first formation, to which I would respectfully request your attention. I have only to observe, in addition to the statements therein made, that it does appear to me that the circumstances of the making the contract are ignored and forgotten by the Government. Small vessels were adopted because the subsidy was so low that larger ones would have been ruinous. The mileage by the Company's concessions has been further reduced by 10 per cent., and yet it is still expected the Company should furnish first class steamers, with an apparel and outfit beyond those of any other mail steamers; though they are mostly receiving nearly double rate of subsidy with a moiety of our expenses. The fact that not a share is held by a colonist shews that our contract is not considered very advantageous; in fact we have recently (from the facts of coals and labour