

Article 4. Having in previous reports stated my objections to contracts for long periods, I do not desire again to press the matter on your Lordships' attention.

Article 9. I submit the expediency of stating, in direct terms, that tenders will be received for a service subsidiary to other existing services; e.g., one between Suez or Point de Galle and the Australian ports.

Article 10. Another spare vessel should, I think, be kept at Sydney.

I also beg to recommend that the following provisions of the contract of the 14th October, 1856, be retained, viz., those which relate to the packets between Marseilles and Malta; to the landing of the mails at Geelong; to the substitution of an officer from the Post Office for the naval officer in charge of the mails (and it should be made clear that either is entitled to an attendant); and to the conveyance of the mails to and from the shore.

It will likewise be necessary to embody in the new contract the additional provisions connected with sorting on board, between Southampton and Alexandria, which have been agreed upon subsequently to the date of the general contract. These will appear in the letter which the Duke of Argyll addressed to the Treasury on the 23rd October, 1857, a copy of which I enclose.

I have, &c.,

COLCHESTER.

The Lords Commissioners of the Treasury.

Enclosure in No. 5.

THE POSTMASTER-GENERAL TO THE TREASURY.

General Post Office,
23rd October, 1857.

MY LORDS,—

Referring to Sir Charles Trevelyan's letter of the 17th February last, authorising, as an experiment, an arrangement for sorting mails on board the Australian mail packets, I have the honor to enclose the copy of a letter stating the terms on which the European and Australian Royal Mail Company are prepared to provide the necessary accommodation on board their packets, upon the line between Southampton and Alexandria.

If the Admiralty agent on this line and his servant be withdrawn, the Company will accommodate and victual on board each of their packets two clerks, or a clerk and a sorter, without any extra charge; provided, however, that when two clerks are sent they both occupy one cabin.

Sorting-rooms, properly fitted up for the purpose, will be provided by the Company at the mere cost of their erection and fittings; and it is estimated that this cost will not exceed £100 for each of the two ships employed on this line.

These terms appear to me to be very liberal, and, should they meet with your Lordships' approval, I request authority for accepting them.

The Controller of the Circulation Office is of opinion that it will be advisable, at least in the first instance, to select a clerk and a sorter from the establishment of the Circulation Office for this duty; and I have further to request your Lordships' authority for the allowances which it will be necessary to make to these officers, in addition to their ordinary salaries, viz., an allowance of £10 per voyage out and home for the clerk, and an allowance of £6 per voyage for the sorter.

To this must be added the railway fares of the officers between London and Southampton, which will amount to £3 per month, making altogether £228 per annum.

I have to add that, in the event of the several Colonial Governments accepting the proposal that the mails forwarded from the United Kingdom to Australia should be sorted by the same officers during the outward voyage, only one-half of this expense will eventually fall upon the Home Government.

I have, &c.,

ARGYLL.

The Lords Commissioners of the Treasury.

No. 6.

MR. F. HILL TO MR. THOMAS DAY.

General Post Office,
17th September, 1858.

SIR,—

I have laid before the Postmaster-General your further letter of the 14th instant, and in reply, his Lordship desires me to acquaint you that your proper course will be to address