

friendly feeling as against the risk of estrangement by contact with the American element, and the latter as opening up a grand development of commerce in connexion with the Pacific, by which Australia, New Zealand, Tasmania, and New Columbia, and the extensive range of the Polynesian Islands will alike receive the benefit.

This Company has received the special favour from the New Granadian Government of a promise for the reduction of the postal transit rate, at present obstructive in its operation, being 1s. per ounce, which raises the charge to 2s. per rate for letters to the Pacific. If continued, this rate would render a subsidy fruitless, because few would correspond by that route at the subsisting charge of 2s., when a letter can be sent *viâ* Suez for 6d., and while letters for New Columbia, *viâ* New York, can be forwarded by the United States Mails at a less price, in less time, and more frequently than by the present British Mail Packet.

The departure from Cork, appointed for this Company's line, is of the highest advantage; for, independent of the saving of distance as against the departure from Southampton, the superiority of offing and of landfall will effect a saving of at least 10 days on the voyage round from Cork to Aspinwall and home. The route selected for this Company also in the Pacific, by Gambier Islands and Cook's Straits, with a fork from Wellington, one way to Sydney and the other to Melbourne, will give a like saving in the Pacific; whilst it precludes every reasonable objection as to the terminal arrangements, the delivery of mails at both colonies being by that plan as nearly as possible simultaneous.

It is intended to give a second-class passage for about 45 guineas, and a third-class for about 35 guineas, which would be under $\frac{3}{4}$ d. a mile, including bed, board, and conveyance: the opinion of the most competent persons is that these rates will not only immensely benefit the Colonies, but result in the financial success of the Company.

The most efficient ships of guaranteed economy and speed, have been designed for the permanent line; whilst intermediately, for a temporary service, arrangements have been provisionally made for the necessary capital to secure shipping which have been offered to the Company, should a special contract be obtained from the Imperial Government.

The time by this line to New Zealand will be only 40 days, to Sydney 45, and Melbourne 46 days, and to New Columbia 30 days, with a margin of five days for contingent delays.

Speed of conveyance and frequency of despatch, cheap and convenient passage, uniform fares from the principal cities of Great Britain, enlarged scope by calling at Cherbourg for continental mails and passengers, the most favourable plans in regard to time and economy of expense, and the comprehensiveness of the system proposed, are the principal recommendations of this enterprise.

Enclosure 3 in No. 10.

AUSTRALASIAN AND NEW COLUMBIAN MAILS.

Australasian and Pacific Company (Limited),
88, Cannon-street West, E.C.,

London, 1st February, 1859.

MY LORDS,—

1. We have the honor to inform your Lordships that the Australasian and Pacific Company (Limited) was, on the 11th of December last, incorporated under the Joint Stock Companies' Acts of 1856 and 1857. At the same time we beg leave to submit the accompanying documents (Nos. 1 to 5) for your Lordships' information, with the present proposal for a special temporary contract for the conveyance of the mails.

2. Considering the general project of establishing a line of steamers *viâ* Panama to Australasia and New Columbia, the principal obstacles appear to be the exorbitant postal fee of 1s. charged by the New Granadian Government, and the equally unreasonable transit rates of the Panama Railroad Company. For in regard to letters, the primary object of a subsidy, few would pass that way when they could be sent to Australia *viâ* Suez, for 6d., and to Columbia *viâ* the United States and the Tehuantepec Route exempt from transit dues; and in regard to passengers and merchandise, moderate and efficient transport for them being essential in this case, the tariff of the Panama Company would be inequitable.

3. With these views, aware that ineffectual efforts had for several years been made to secure a modification, and deeming it would be acceptable and sufficient to have a private contract without compromising Her Majesty's Government by the immediate adoption, preferentially, of one of the transit routes, we ventured, through the influence of our connexions at Bogota, to offer certain inducements for a reduction of the postal charges; and we have the satisfaction to report that we have received a promise to the desired effect, which enables us to undertake the transit at the cost of 1d. per letter (No. 2).

4. We have also the assurances of Messrs. Lansing and Starr, agents for the Aspinwall Steamers, that the Panama Company will meet the requirements of the case with equal liberality; and through the same firm we have, besides, a valuable coalition with the United States' Mail Steamers on both sides of the isthmus (No. 3).

5. An important privilege has likewise been obtained in the exemption of the Company's ships from port dues in Cork Harbour, while the Great Southern and Western Railway Company are prepared to afford every facility in their power; so that we may respectfully submit that everything is combined in the present plan which can contribute to the efficiency of the service (No. 1).