

Be it therefore enacted by the General Assembly of New Zealand in Parliament assembled, and by the authority of the same, as follows:

I. The Short Title of this Act shall be "The Panama Route Postal Act, 1862."

II. The Governor in Council may make such arrangements with the Imperial Government, and may enter into all such contracts as may be deemed expedient for establishing and maintaining for a period not exceeding five years from the first day of January, 1864, a regular and expeditious postal communication by steam between this Colony and Great Britain, by way of Panama; provided that the whole amount of the proportionate expense thereof to be borne by this Colony shall not in any year exceed the sum of £30,000 inclusive of all sums that may be paid for the carriage of mails, or any such service.

III. The Governor in Council may also agree with the other Australasian Colonies, or any of them, for their sharing in the benefits of such postal communication, upon such terms as shall seem fit.

IV. The treasurer of New Zealand shall issue and pay a sum of not more than £30,000 in any one year to such persons for the purposes of this Act, upon such days and in such proportions as the Governor by any warrant to be signed by him shall from time to time order and direct, and every payment so to be made shall be charged upon and payable out of the ordinary revenue of the Colony of New Zealand.

V. The said treasurer shall in his accounts from time to time be allowed credit for any sum of money paid by him in pursuance of any warrant issued by virtue of this Act, and the receipt of the person to whom the same shall be so paid, shall be a full and valid discharge to the said treasurer in passing his said accounts for any such sum as shall be therein mentioned.

(True copy.)

F. D. HILL,
For Colonial Secretary.

Enclosure 2, in No. 23.

Minute by Ministers on the Acts of the General Assembly, Session 1862.

No. 16.—Panama Route Postal Act.

This Act enables steps to be taken for the establishment of postal communication by steam *viâ* Panama, either separately or in combination with any of the Australian Colonies, and appropriates £30,000 a year for five years from 1st January, 1864, for the purpose.

No. 24.

Treasury Minute thereon, dated 6th April, 1863. Refer to the Postmaster-General.

No. 25.

MR. PEEL TO MR. C. WARD.

Treasury Chambers, 7th May, 1863.

SIR,—

With reference to your letter of the 20th March last, addressed to the Chancellor of the Exchequer, on the subject of the proposal made by you on behalf of the New Zealand Government, and by Mr. E. Hamilton on behalf of the Government of New South Wales, viz., that Her Majesty's Government should co-operate with those Colonies in establishing a monthly mail to New Zealand and Australia, *viâ* Panama; I am directed by the Lords Commissioners of Her Majesty's Treasury to acquaint you that my Lords are unable to assist you in the establishment of such a line, owing to the expense which it would entail on this country, under the proposals made by you and Mr. E. Hamilton.

I am, &c.,

F. PEEL.

Crosbie Ward, Esq.,
3, Adelaide Place, London Bridge, E.C.