

Company, for convenience sake, provided that the Government of New Zealand will authorize the bank to give a discharge on their account. The commencement of the system will await the transmission of the required authority.

The Hon. the Colonial Secretary, Wellington.

I have, &c.,

CROSBIE WARD.

No. 63.

Copy of a Letter from Mr. CROSBIE WARD to the Hon. E. W. STAFFORD.

Between Sydney and New Zealand, on board the s.s. "Phœbe,"

SIR,—

12th December, 1866.

I have the honor to enclose a copy of the Draft Agreement between the Colonies of New Zealand and New South Wales for the joint maintenance of the Panama Mail Service, with the amendments which have been agreed upon between the Honorable the Colonial Secretary of New South Wales and myself, as the representative of the Government of New Zealand.

Appended to the agreement, and substantially forming part of it, is a Memorandum by the Honorable Mr. Parkes, containing some additional demands by the Government of New South Wales as the condition of their acquiescence in the agreement, which was placed in my hands yesterday morning. The minutes appended to this Memorandum will show which of the demands referred to have been accepted, and which refused. In the state in which it now appears it was finally agreed to by both parties, and the Draft Agreement and Memorandum were simultaneously signed by Mr. Parkes and myself. I trust that the terms of the contract between the two Colonies will appear, under all the circumstances, satisfactory to the Government of New Zealand.

With reference to my letter of the 1st instant, in which my intention of visiting Melbourne was stated, I have now the honor to inform you, that such visit was rendered unnecessary by circumstances which shortly afterwards transpired. On the day following the despatch of the letter referred to, I was made aware of the receipt by the Government of New South Wales of letters from the Government of Victoria, proposing that a Conference of Representatives from all these Colonies should be held in Melbourne early in next year, to consult with respect to a recent important Despatch from the Secretary of State for the Colonies upon postal subjects. I was informed also that the Government of New South Wales would acquiesce in this proposal. The Despatch and letters referred to have no doubt already come to your knowledge. There appeared, accordingly, no reason to visit Melbourne to ascertain whether a Conference would be held, or what would be the subjects likely to be brought before the body of Colonial representatives.

I have the pleasure to add, that the Colonial Secretary of New South Wales, in parting, assured me that the Government of that Colony desired to co-operate with the Government of New Zealand in all matters of common interest in the most frank and cordial spirit.

The Hon. the Colonial Secretary, Wellington.

I have, &c.,

CROSBIE WARD.

Enclosure 1 in No. 63.

FORM OF AGREEMENT as revised and agreed upon, 11th December, 1866.

ARTICLES of Agreement made and entered into the _____ day of _____, A.D. 1866, between His Excellency the Right Honorable Sir John Young, Baronet, Knight Commander of the Most Honorable Order of the Bath, Knight Grand Cross of the Most Distinguished Order of St. Michael and St. George, Captain-General and Governor-in-Chief of the Colony of New South Wales, and Vice-Admiral of the same *acting herein for and on behalf of the Government of the said Colony*, of the one part, and His Excellency Sir George Grey, Knight Commander of the Most Honorable Order of the Bath, Governor and Commander-in-Chief in and over Her Majesty's Colony of New Zealand and its Dependencies, and Vice-Admiral of the same *acting herein for and on behalf of the Government of the said last-mentioned Colony*, of the other part:—

WHEREAS by a certain letter or memorandum in writing, dated the 10th day of March, 1865, and signed by Isaac Earl Featherston, the Agent for that purpose duly authorized by the Government of New Zealand, and by a certain other letter or memorandum in writing, dated the 22nd day of April, 1865, and signed by the Hon. Charles Cowper, the Colonial Secretary of the Colony of New South Wales, it was agreed between the said Isaac Earl Featherston, as such Agent as aforesaid, and the said Charles Cowper, on behalf of the Government of New South Wales, that a certain postal service theretofore contracted for between the Postmaster-General of the Colony of New Zealand, and the Agent of the Panama New Zealand and Australian Royal Mail Company (Limited), for the carriage of Her Majesty's mails between England and New Zealand by way of Panama, and *vice versa*, should be extended for the benefit of the said Colony of New South Wales, upon the terms in the said letters or memoranda respectively mentioned or referred to: And whereas by certain Articles of Agreement intended to bear even date with these presents, and be made between the said Sir George Grey, Governor, and the Panama New Zealand and Australian Royal Mail Company (Limited), provision has been made, amongst other things, for extending the said Postal Service for the benefit of the said Colony of New South Wales, upon terms and conditions approved of by the Government of the said Colony; and it has been arranged that the terms and conditions upon which, as between the Colony of New Zealand and the Colony of New South Wales, the said Postal Service is so extended, should be set forth in or *expressed in* and ratified by these presents: Now these presents witness that the said Sir George Grey, Governor, as aforesaid, by and with the advice and consent of the Executive Council of the Colony of New Zealand [for himself and his successors, Governors of the said Colony last mentioned] doth hereby, *for and on behalf of the Government of the said Colony*, agree with the said Sir John Young, Governor, as aforesaid, [and his successors, Governors of the] *representing and, in this agreement, acting on behalf of the Colony of New South Wales*. And the said Sir John Young,