

debate in the Victorian Legislative Assembly (14th May, 1867) that to some places even in New Zealand, the letters arrive quickest by the Suez route.

"The number of letters received from the Australian Colonies is at present about 90,000 per month, while from New Zealand it is little more than 28,000, so that as between the two routes (if the choice lay between them) for every letter which would be accelerated by the use of the Panama route to the extent, say of three-quarters of a day, three other letters would be delayed about 15 days,

"Thus the Suez and Marseilles route, as compared with the Panama route, is superior in the ratio of about 50 to 1.

"The tables are confined to the Homeward Mails because, as respects those *via* Panama, we have no record of the arrivals of the Outward Mails, and therefore no comparison with respect to these mails can be made, but I have no reason to suppose that the result would be different.

"By no possibility could the 'regular fortnightly communication' spoken of by the delegates in their tenth resolution be established in the way they propose, inasmuch as the time required by the Panama and Torres Straits lines being for the bulk of the letters much greater than that occupied by the *via* Suez and King George's Sound, it would be beyond human power (except by a vast expenditure on the Panama line in coals, and in the construction of larger ships) by the aid of the two former lines, to divide the month equally.

"To agree to what is asked would probably necessitate an increase in the gross expense to this country of the Australian Packet Service from less than £86,000 a year to £200,000, or by about £114,000, and although the postage were raised from 6d. to 1s., our loss on this service even now amounting to more than £45,000 per annum, would probably increase to about £120,000.

"When the Australian Colonies were lately asked whether they would like to have a fortnightly, instead of a monthly service, on the understanding that if a fortnightly service were established, the postage would be raised to a shilling, almost all of them replied in the negative; and now, strange as it may appear, most of them in effect apply for this very fortnightly service, but to be performed in an inferior way, and at a much greater cost. The explanation cannot be that, on the latter plan, it is expected that there would be no increase of postage, since by our joining in an arrangement for taking over the contract for the Panama service and agreeing to contribute towards the cost of a service *via* Torres Straits, the reason for such increase of postage would be greatly strengthened.

"In truth, however, it is clearly not for the improvement of the service that the resolutions of the delegates are framed. If these resolutions were adopted in toto, the services, so far at least as relates to those *via* Suez and Panama, would remain the same, but that which would be greatly altered is the incidence of payment.

"Leaving Western Australia out of the account, it is found that as compared with what the different Colonies now pay, or expect to pay, each of them, except Tasmania, would, under the proposed arrangement, pay less, while all the burden thus shifted from them would be thrown on the mother country. This is made evident by the following tables, which show as nearly as can be estimated, first the present payments by the different Colonies and the Mother Country for the existing services, now that New Zealand has all her letters (unless specially addressed otherwise), sent *via* Panama; secondly, the payment, if New South Wales and Queensland should also withdraw from a participation in the contract for the Suez and King George's Sound Service (as New South Wales has given notice of her intention to do); thirdly, the payments if there were no services *via* Panama or Torres Straits, but on the other hand, two services per month *via* Suez and King George's Sound, and showing, fourthly, what would be the respective payments if the recommendations of the delegates were adopted."