

my regret that, owing to the great pressure of Parliamentary business and the withdrawal of Mr. Robertson from the Ministry, it has not been in my power to give such attention to the question of the Californian Postal Service as would enable me to do more, at this moment, than to acknowledge your despatch.

2. At the request, however, of the Postmaster-General,—and that an understanding for the present transport of mails may exist,—I have the honor to state, for the information of your Government, that this Colony is willing to pay to New Zealand the sum of twenty shillings per pound (being the same amount as was charged to the non-contracting Colonies during the existence of the Panama mail contract) on the weight of all New South Wales correspondence conveyed by the San Francisco mail route. It is of course, to be understood that this rate of payment will only apply to correspondence received from and despatched to places beyond your Colony, and not to correspondence received from, or addressed to, the Colony of New Zealand.

3. With reference to the correspondence last alluded to, it should perhaps be observed that, under the postal laws of this Colony, the master of the steam packet would be *compelled* to convey it on payment of the usual gratuity of one penny per letter being tendered to him. This gratuity, however, was not offered to the master of the “Wonga Wonga,” which left on the 26th ultimo; and it is considered advisable that it should not be offered to the masters of any of the steamers engaged in this service, pending the receipt of an intimation from your Government on the subject, as it is understood that under the contract the master of the steamer is prohibited from receiving any payment otherwise than direct from the Government of New Zealand.

4. I have the honor to add that, in anticipation of the acquiescence of your Government in the above arrangement, this Colony will continue to despatch mails by the steamers employed in this mail service.

The Hon. the Colonial Secretary, New Zealand.

I have, &c.,
CHARLES COWPER.

No. 25.

The Hon. JULIUS VOGEL to the Hon. the COLONIAL SECRETARY, New South Wales.

SIR,— General Government Offices, Auckland, 10th May, 1870.

I have the honor to acknowledge the receipt of your letter, No. 73, of the 27th April ultimo, and to express my regret that you have not had time to look into the matter, or you would see that the money received from New South Wales is to be paid to the contractor, and that the only sum authorized to be received is at the rate of £10,000 a year. I have also to point out to you that the £10,000 covers the cost of transmitting the Queensland mails, but not those of any other Colony.

I shall be glad if you will let me know at your earliest convenience whether you are prepared to pay a subsidy at the rate of £10,000 a year, commencing from the beginning of the service for the carriage of Queensland and New South Wales mails, and also to agree to forward the mails of other Colonies only as distinct mails.

You will excuse my pressing you for an answer; but the time is rapidly approaching when other arrangements will require to be made, if New South Wales does not see its way to pay the very moderate subsidy asked for, and which secures to her the terminus of the service.

I may add that, relying on the assistance of other Colonies, and the contractor being in need of the money, I am authorizing an advance to be made to him of £500, beyond the New Zealand subsidy, on account of money to be recovered from other Colonies.

The Hon. the Colonial Secretary,
Sydney, New South Wales.

I have, &c.,
JULIUS VOGEL
(for the Colonial Secretary).

No. 26.

The Hon. the POSTMASTER-GENERAL, New South Wales, to the Hon. JULIUS VOGEL.

SIR.— General Post Office, Sydney, 3rd March, 1870.

Referring to the contract which is understood to have been entered into between Mr. Hall, of Sydney, and the New Zealand Government, for a mail packet service between Sydney and San Francisco, the first steamer under which contract is advertised to leave Sydney on the 26th instant, I beg to inform you that the Government of this Colony has been applied to for authority to pay to New Zealand the sum of 20s. per pound (the same amount as was charged to the non-contracting Colonies during the existence of the Panama contract,) on all correspondence forwarded or received by this Colony by the steamers performing the contract in question. This sum of 20s. per pound will, of course, be exclusive of the charge for territorial transit through America, and any other charges that the mails forwarded by this route may be subject to.

If hereafter the Government of this Colony should become a contributor to the cost of the service between Sydney and San Francisco, and its contribution take effect from the commencement of the service, it will, of course, be understood that any payments at the rate of 20s. per pound that may have been made by this Colony to New Zealand will be refunded by the latter Colony.

I shall be glad to be informed as early as possible whether this Colony is at liberty to forward mails on the terms specified herein, and should a reply not be received from you prior to the departure of the first steam packet, the concurrence of the New Zealand Government will be anticipated, and mails from New South Wales will be forwarded.

The Hon. the Postmaster-General, Wellington.

I have &c.,
DAN. EGAN,
Postmaster-General.