

P A P E R S

E.—No. 4.

RELATIVE TO THE

SAN FRANCISCO MAIL SERVICE.

PRESENTED TO BOTH HOUSES OF THE GENERAL ASSEMBLY, BY COMMAND OF
HIS EXCELLENCY.

WELLINGTON.

—
1870.

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PAPERS RELATIVE TO THE SAN FRANCISCO MAIL SERVICE.

No. 1.

Mr. H. H. HALL to the Hon. W. Fox.

Sir,—

U.S. Consulate, Sydney, 2nd November, 1869.

I purpose putting on a monthly line of steamers to ply between this and San Francisco, touching at the Bay of Islands, thence to Honolulu, and on to San Francisco, provided your Government hold out sufficient inducement in the mail subsidy, otherwise the route will be *via* the Fijis. The time occupied being—from Sydney to Bay of Islands, $5\frac{1}{2}$ days; thence to Honolulu, 14; thence to San Francisco, $8\frac{1}{2}$; thence to New York, 6; from New York to Liverpool, 10: making a total, 44 days. After the line is well established, I hope to reduce this to 40 days. My present intention is to start the first steamer early in January, 1870; but if I at once succeed in making all necessary arrangements, it may be by the middle of December, 1869.

Trusting you will favour me with an early reply, stating your full views,

I have, &c.

The Hon. W. Fox, Premier,
Wellington, N.Z.

H. H. HALL, U.S. Consul.

No. 2.

Messrs. ROXBURGH, SLADE, AND SPAIN, to the Hon. JULIUS VOGEL.

DEAR SIR,—

Exchange, Sydney, 12th January, 1870.

We now send you—1. Original Contract with Mr. Hall. 2. Duplicate of Mr. Hall's letter to you. 3. Original letter from the Secretary of the A.S.N. Co. to you. 4. Copy or duplicate of letter from yourself to the Company. 5. Copy of the Charter-party.

We have, &c.,

The Hon. Julius Vogel.

ROXBURGH, SLADE, AND SPAIN.

No. 3.

Copy of CONTRACT.

MEMORANDUM of Agreement made the eleventh day of January, in the year of our Lord one thousand eight hundred and seventy, between the Honourable Julius Vogel, the Postmaster-General of the Colony of New Zealand, and a Member of the Executive Council of the said Colony, acting as Agent for and on behalf of the Government of the said Colony, hereinafter called "the Postmaster-General," of the one part, and Hayden Hezekiah Hall, of 21, Bridge Street, Sydney, in the Colony of New South Wales, Esquire, United States Consul, hereinafter called "the Contractor" of the other part, witnesseth that the said Contractor doth hereby, for himself, his heirs, executors, and administrators, covenant and agree with the said Postmaster-General, his successors and assigns. And the said Postmaster-General, for himself as Postmaster-General, his successors and assigns, and for the said Government of New Zealand, doth hereby covenant and agree with the said Contractor, his executors and administrators, in manner following—that is to say:—

1. That the said Contractor shall every month during this agreement, at the times hereinafter mentioned, run a full power steam vessel, efficient in all respects, from Sydney to Auckland, in New Zealand, and thence to Honolulu direct, without touching at any intermediate port or place, except with the consent in writing of the said Postmaster-General, and shall thereby convey Her Majesty's mails. And also shall, at his own cost, convey or provide for the conveyance of such mails from Honolulu to San Francisco, by proper and efficient steam vessels; and shall in like manner provide for the conveyance of such mails from San Francisco to Honolulu aforesaid; and shall also every month, in like manner, run a full power steam vessel as aforesaid, from Honolulu to Auckland aforesaid, direct, and thence to Sydney; and shall thereby convey Her Majesty's mails.

2. That the said Contractor shall at all times during the continuance of this agreement, as hereinafter provided, put on board and carry by such steam vessels all Her Majesty's mails, which shall at any time by the said Postmaster-General, or any of his officers or agents, be required to be conveyed by the said steam vessels respectively, whether the said mails shall belong to New Zealand or to any other Colony, place or country. But no mails other than those belonging to New Zealand shall be received on board, or carried in the said steam vessels, without the written consent or directions of the said Postmaster-General, or of some officer or agent acting under his directions or on his behalf.

3. That the steam vessels engaged in carrying out this arrangement shall be called "The Californian, New Zealand, and Australian Mail Line of Steam Packets," and shall be so described in all advertisements and public announcements referring to them.

4. That nothing in this agreement contained shall exempt the steam vessels engaged in carrying out this agreement from being subject to all the laws and regulations in force for the time being in New Zealand, relative to the survey and inspection of passenger steamers.

5. That the times within which the said Contractor shall convey, or cause to be conveyed, the said mails by the said steam vessels, between Sydney and San Francisco, and deliver the same, shall be as follows:—

"From the time of leaving Sydney to the time of arriving in Auckland, and from the time of leaving Auckland to the time of arriving in Sydney, each way respectively, not to exceed one hundred and forty-four hours.

"From the time of leaving Auckland to the time of arriving in San Francisco, including stoppage at Honolulu, and from the time of leaving San Francisco to the time of arriving in Auckland, including stoppage at Honolulu, respectively, not to exceed six hundred hours each way for the first six voyages, and for every subsequent voyage not to exceed five hundred and seventy-six hours, each way respectively."

6. That, subject to the time table, the said steam vessels, except as hereinafter provided, shall not be detained at the port of Auckland beyond thirty hours.

7. That the provisions contained herein respecting the time within which mails are to be carried between Sydney and Auckland, and between Auckland and Sydney, shall cease at the expiration of six months from the twenty-sixth day of March next, unless the Governments of New South Wales and Victoria, or either of them, within that time, shall agree with the said Postmaster-General to pay to him, on behalf of the said Contractor, a sum or sums of money not less than ten thousand pounds per annum from New South Wales, and not less than six thousand pounds per annum from Victoria, and which the said Postmaster-General is hereby authorized to accept, on behalf of the said Contractor, by such payments, and in such manner, as the said Postmaster-General may think fit. Provided that in case the Government of New South Wales should decline to contribute, it shall be optional with the said Postmaster-General and the said Contractor, to agree to substitute Melbourne for Sydney as the port of departure. And provided also, that if the Government of New South Wales shall contribute ten thousand pounds as aforesaid, the same shall include Queensland, and the carriage of the mails of that Colony, which shall for the purposes of this agreement, be in such case considered as part of the mails of New South Wales; and the Government of New South Wales shall in such case be at liberty to arrange with the Government of Queensland in the matter in such way as they may think fit.

8. That all money which shall be received by the New Zealand Government from other countries or Colonies by way of contribution or subsidy to the said mail service, shall be paid to the said Contractor. Provided that nothing herein contained shall prevent the said Postmaster-General from entering into any arrangement with Great Britain or the United States of America, or any foreign country or colony thereof, for the carriage of mails on such terms as he may agree upon.

9. That the said steam vessels shall on such days and at such hours as are mentioned in the table hereto annexed, until and unless any other days and hours shall, under the power herein in that behalf contained, be substituted in lieu thereof, put to sea from and arrive at the ports or places respectively mentioned in such table.

10. That if at any time the said Postmaster-General shall desire to alter the particular days, times, and hours of departure from and arrival at any ports or places specified in the table above referred to, he shall be at liberty to do so on giving reasonable notice to the said Contractor, and the times so altered shall be observed and kept as if the same had been originally named in the table hereto annexed.

11. That the said Postmaster-General shall pay to the said Contractor for every complete period of twenty-four hours by which the said mails shall be delivered either way between Auckland and San Francisco within the time hereby covenanted for delivery of the same, a premium of thirty pounds.

12. That if on any of the first six voyages the said Contractor shall fail to deliver the said mails either at Auckland or San Francisco in six hundred hours from the time of departure from the other of those ports, or on any subsequent voyage within five hundred and seventy-six hours, he shall forfeit and pay to her Majesty, her heirs and successors, on behalf and for the benefit of the postal revenue of the Colony of New Zealand, a sum of thirty pounds for every complete period of twenty-four hours beyond the periods at which such mails should be delivered under this agreement as aforesaid.

13. That if the said Contractor shall fail to deliver such mails as he may under this agreement be required to carry between Auckland and Sydney, either at Auckland or Sydney, in one hundred and forty-four hours from the time of departure from the other of those ports, he shall forfeit and pay to Her Majesty, her heirs and successors, on behalf of the Postmaster-General, or his successors, a sum of thirty pounds for every complete period of twenty-four hours beyond the periods at which such mails should be delivered under this agreement. But after the first six months, payment of such last mentioned sum is to be enforced only in case the New South Wales Government and Victorian Government, or either of them, make payment as herein provided, to the said Postmaster-General on behalf of the said Contractor for the conveyance of their mails; and in any case the penalty above mentioned shall only be enforced by the said Postmaster-General at the instance of the Government of New South Wales or Victoria.

14. That the said Contractor, or his agents, shall receive and allow to remain on board, or procure to be allowed to remain on board, of each of the said steam vessels, while employed in carrying out this agreement, and also while remaining at any of the ports or places named in the table appended hereto, whether with or without mails on board, an officer in the service of the said Postmaster-General, to have charge of the said mails; and in case of the Governments of New South Wales and Victoria, or either of them, contributing towards the cost of the said mail service, then one or both of them to be allowed to have a mail agent on board on the same terms and conditions as in the case of the officer in charge of the New Zealand mails. Provided that one such mail agent or officer may be employed by and represent all or any of the Governments whose mails shall be conveyed under this agreement.

15. That suitable first-class accommodation shall be provided by the said Contractor for every such mail officer or agent, and that the passage money for each such mail officer or agent shall be at the lowest current rates for return passages, not to exceed thirty-five pounds between Sydney and San Francisco, and thirty pounds between Auckland and San Francisco, and *vice versa*. And that every such mail officer or agent shall be recognised and considered by the said Contractor, his officers, agents and seamen, as the agent of the said Postmaster-General in charge of mails, and as having full authority in all cases to require a due and strict performance of this agreement on the part of the said Contractor,

his officers, servants, and agents; and to determine, so far as relates to the levying of penalties, every question whenever arising relative to the time of proceeding to sea, or putting into harbour, or the necessity of stopping to assist any vessel in distress, or to save human life. Provided, however, that the words "to determine every question" shall not confer upon such officer the power of control over the commander of the steam vessel conveying the said mails; and provided that, in case at any time there should be more than one such mail officer or agent, as aforesaid, the authority, as aforesaid, of such one only shall be paramount as the said Postmaster-General shall notify to the said commander as having paramount authority.

16. That in this agreement the term "mails," shall be taken to comprehend all letters, boxes, bags, or packets of letters, newspapers, books, or printed papers sent by the post to whatever country or place they may be addressed, or in whatever country or place they may have originated; and all empty bags and other stores used, or to be used, in carrying on the post office service, which shall be sent by or to or from any post office.

17. That the whole of the postage of all mails conveyed in the vessels employed under this agreement, whether carried from or out of Her Majesty's Dominions or otherwise, shall belong to Her Majesty, and shall be at the disposal of the said Postmaster-General.

18. That the said Contractor shall not assign, underlet, or dispose of this agreement, or any part thereof, without the consent of the said Postmaster-General, signified in writing under his hand, or under the hand of the Secretary of the Post Office of New Zealand; and that in case of the same, or any part thereof, being assigned, underlet, or otherwise disposed of, or of any gross or habitual breach of this agreement, or any covenant, matter, or thing herein contained on the part of the said Contractor, or his agents or servants, and whether there be or be not any penalty or sum of money payable by the said Contractor for any breach, it shall be lawful for the said Postmaster-General, if he shall think fit (and notwithstanding there may or may not have been any former breach of this agreement), by writing under his hand, or under the hand of the Secretary of the Post Office in New Zealand, to determine this agreement, without any previous notice to the said Contractor or his agents, nor shall the said Contractor be entitled to any compensation in respect of such determination.

19. That in consideration of the covenants and agreements hereby entered into by the said Contractor, and of the due performance thereof by him, there shall be paid to him during the continuance of this agreement, in respect of the services specified herein, the sum of fifteen thousand pounds for twelve complete services to and from San Francisco and Sydney, or the sum of one thousand two hundred and fifty pounds for each complete service to and from Sydney and San Francisco, payment for each complete service, as aforesaid, to be made on the return of each vessel from San Francisco to Sydney. Provided that, on the written request of the said Contractor, the said Postmaster-General may, at his option, and on such conditions as he may think fit, make payments in advance on account of sums becoming due for such services; but such payment shall not in any way affect the liability of the said Contractor to carry out the provisions of this agreement.

20. That during the continuance of this agreement, and so long as the same shall be faithfully carried out by the said Contractor, no charges for pilotage, lighthouse dues, or wharfage shall be made at the port of Auckland for any of the steam vessels carrying the mails referred to herein.

21. That all payments of premiums for the delivery of mails in less than contract time, and of sums of money by way of penalty for delay in the delivery of mails, or for other breaches of this agreement, shall be made every six months.

22. That this agreement is to continue for twelve months from the twenty-sixth day of March next—that is to say, until the completion of twelve services to and from Sydney and San Francisco. Provided that, at the option of the said Contractor, notice of which must be given to the said Postmaster-General in writing within six months from the date of the first steamer leaving Sydney, this agreement may be continued for a further term of four years.

23. That if the said Contractor shall at any day or hour appointed in the time table hereto annexed, at any of the ports or places appointed or named in the said time table, or at any of the several ports or places at which an efficient vessel ought to be provided as aforesaid, fail to put, or cause to be put an efficient steam vessel to sea, in accordance with the terms of this agreement, then, and so often as the same shall happen, the said Contractor shall forfeit and pay unto Her Majesty, her heirs and successors, for the benefit of the postal revenue of the Colony of New Zealand, the sum of two pounds per hour for the first twenty-four hours, and a further sum of thirty shillings per hour for every hour after the first twenty-four hours, which shall elapse until such vessel actually proceeds to sea on her voyage in performance of this agreement. Provided that the payment of any such sum shall not be enforced against the said Contractor if it be shown by him, to the satisfaction of the said Postmaster-General, that the default has arisen from causes over which he had not and could not have control.

24. That the said Contractor shall provide, or cause to be provided, on board all steam vessels to be employed or used under this agreement, between Sydney and San Francisco, a proper, safe, and convenient place of deposit for the mails, with secure fastenings, lock and key, and to the satisfaction of the said Postmaster-General. And also that the said Contractor shall provide on board each of the steam vessels to be employed under this agreement in the service between Sydney, New Zealand, and Honolulu, all necessary and suitable accommodation, including lighting, to the satisfaction of the said Postmaster-General, for the purpose of sorting and making up the mails thereby conveyed. And on being required by such Postmaster-General so to do, will, at his own cost, erect on each of such vessels a separate and convenient room for such purpose. And that the crew of each of the said vessels shall assist in conveying the mails between the mail room and the sorting room (if any), to be erected as aforesaid, or other separate sorting-room used as such for the time being.

25. That as often as the said Postmaster-General, during the continuance of this agreement, shall think fit to intrust the charge or custody of the mails to the master or commander of any vessel to be employed for the time being in the performance of this agreement, and in all cases where the officer or other person appointed to have charge of the mails shall be absent, the master or commander of such vessel shall, without any charge other than that herein provided to be paid to the said Contractor, take

due care of, and the said Contractor shall be responsible for the receipt, safe custody, and delivery of, the said mails. And each of such masters or commanders shall make the usual oath or declaration or declarations required, or which may hereafter be required, by such Postmaster-General in such and similar cases, and furnish such journals, returns, and information, and perform such services, as such Postmaster-General or his agents may require. And every such master or commander or officer duly authorized by him having the charge of mails shall himself, immediately on the arrival of any such vessel at any of the said ports or places, deliver from the vessel's side, at such time and place as the Postmaster or other person as next after mentioned shall require, all mails for such port or place into the hands of such Postmaster or such other person at the said port or place as the said Postmaster-General shall authorize to receive the same, receiving in like manner all the return or other mails to be forwarded in due course.

26. That the said Contractor, and all commanding and other officers of the vessels employed in the performance of this agreement, and all agents, seamen, and servants of the said Contractor, shall at all times punctually attend to the orders and directions of the said Postmaster-General, his officers or agents, as to the mode, time, and place of landing, delivering, and receiving of mails, subject as herein mentioned.

27. That all and every the sums of money hereby stipulated to be paid by the said Contractor unto Her Majesty, her heirs and successors, shall be considered as stipulated or ascertained damages, whether any damage or loss have or have not been sustained, and shall and may be retained by the said Postmaster-General out of any moneys payable or which may thereafter become payable to the said Contractor, or the payment may be enforced as a debt due to Her Majesty, with full costs of suit, at the discretion of the said Postmaster-General. Provided, however, that the payment by the said Contractor of any sums of money (by way of penalties) shall not in any manner prejudice the right of the said Postmaster-General to treat the failure (if any) on the part of the said Contractor to put to sea with a proper vessel, or to perform any voyage at or within the times in the said table respectively mentioned, as a breach of this agreement.

28. That should it be deemed by the said Postmaster-General, his officers, or agents, requisite for the public service, that any vessel to be employed under this agreement should at any time or times delay her departure from any port from which the mails are to be conveyed under this agreement, beyond the period appointed for her departure therefrom, the said Postmaster-General, his officers or agents, shall have power to order such delay (not, however, exceeding twelve hours), by letter addressed by him or them to and delivered to the master of any such vessel, or the person acting as such, or left for him on board the vessel not less than six hours before the period appointed for her departure, and such letter shall be deemed a sufficient authority for such detention; but if by reason of such detention the steamer so detained should fail to deliver the mail at the appointed time and place, then the penalty herein provided for such failure shall not be enforced.

29. That it shall be lawful for the said Postmaster-General, at any time, and from time to time, to delegate any of the powers vested in him by virtue of these presents to such person or persons as he shall think fit.

30. That for the purpose of ensuring the due fulfilment of this agreement by the said Contractor or his agents, he shall lodge the sum of one thousand pounds with the Oriental Banking Corporation in Sydney to the credit of the Postmaster-General of New Zealand; and that of this sum five hundred pounds shall be returned on the departure from Sydney of the first steam vessel in pursuance of this contract, and the remaining five hundred pounds shall be returned on the completion to the satisfaction of the said Postmaster-General of this agreement.

31. Provided that if this agreement should be continued beyond the first term of twelve months, the said Postmaster-General may, on the commencement of the extended agreement, and on receipt of other satisfactory security to the extent of one thousand pounds, return the balance of five hundred pounds aforesaid.

32. That the said Postmaster-General shall be the sole judge as to whether any breaches of this contract have arisen from causes beyond the control of the said Contractor or his agents, and whether any or what amount of penalty shall be deducted from the said sum of one thousand pounds deposited as aforesaid.

In witness whereof the said parties to these presents have hereunto set their hands and seals the day and year first before written.

Time Table for the Mail Service by the Californian, New Zealand, and Australian Mail Line of Packets.

INWARDS:

To leave San Francisco on the 10th day of each month, commencing on the 10th day of April next.

OUTWARDS:

To leave Sydney.

26th March, 1870.

27th April, 1870.

28th May, 1870.

30th June, 1870.

To leave Auckland.

2nd April, 1870.

4th May, 1870.

4th June, 1870.

7th July, 1870.

And each month following to leave Sydney on the last day of the month, and to leave Auckland on the 7th of the following month.

The steamers to leave Sydney at four o'clock p.m., and Auckland at two o'clock p.m., respectively, on the above appointed days.

For and on behalf of the Government of New Zealand,

JULIUS VOGEL,
Postmaster-General.

Signed, sealed, and delivered by the said Julius Vogel,
in the presence of

CHARLES KNIGHT, Auditor-General, New Zealand.
WILLIAM SEED, Inspector of Customs, New Zealand.

H. H. HALL.

Signed, sealed, and delivered, by the said Hayden Hezekiah Hall,
in the presence of

CHARLES KNIGHT, Auditor-General, New Zealand.
WILLIAM SEED, Inspector of Customs, New Zealand.

No. 4.

The Hon. J. VOGEL to Mr. H. H. HALL.

SIR,—

Sydney, 11th January, 1870.

In accordance with my verbal undertaking to you, I have now the honor to state, that during the first six services between Sydney and San Francisco both ways, should the contribution received from New South Wales for postages or subsidy, or both combined, not equal the rateable amount which it is agreed that Colony should be asked to pay, namely, at the rate of £10,000 per annum for twelve services, I will agree, for and on behalf of the Government of New Zealand, to an extent not exceeding £2,000 to make up the amount, subject of course to your duly performing your contract.

H. H. Hall, Esq., Sydney.

I have, &c.,
JULIUS VOGEL.

No. 5.

Mr. PHILLIPS to the Hon. J. VOGEL.

SIR,—

Australasian Steam Navigation Company,
11th January, 1870.

I do myself the honor to hand you under this cover, a letter, under date of 11th instant, addressed to you by Mr. H. H. Hall, in respect of the payment to this Company of certain moneys, on account of the charter to that gentleman of two of our steamers, receipt of which be so good to acknowledge, and endorse the conditions therein named.

The Hon. Julius Vogel, Postmaster-General
of New Zealand.

I have, &c.,
F. PHILLIPS, Secretary.

Enclosure in No. 5.

SIR,—

Sydney, 11th January, 1870.

With reference to the agreement for carriage of mails to and from San Francisco, entered into by me with you for the New Zealand Government, I hereby authorize and request you, on account and out of the moneys or subsidies which may be or may become payable to me thereunder, to pay, by anticipation or otherwise, to the Australasian Steam Navigation Company, on account of my charter with them, to the extent of six thousand pounds, by monthly payments of one thousand pounds, in such manner as you may think fit. And I also, subject to our said agreement, charge any surplus subsidy money of one thousand two hundred and fifty pounds per service, which may be in your hands, or in the hands of the New Zealand Government, with the payment to the said Company of any moneys they may expend for seamen's wages or coals of or for the steam vessels chartered by them to me, and authorize and request you, subject to our said agreement, to pay the same to them on such evidence as you may think fit.

The Hon. Julius Vogel, Postmaster-General
of New Zealand.

I have, &c.,
H. H. HALL.

No. 6.

The Hon. J. VOGEL to Mr. F. TROUTON.

SIR,—

Sydney, 11th January, 1870.

In reply to your letter to me of the 11th instant, enclosing a letter addressed to me by Mr. H. H. Hall, respecting the payment to you of certain moneys on account of subsidy moneys, which may be or may become payable to him under the agreement entered into with him by me as Postmaster-General of New Zealand on behalf of the New Zealand Government, I beg to say that, in accordance with Mr. Hall's said letter, the Government of New Zealand will, on the sailing from Sydney of the first steam vessel chartered by your Company to Mr. Hall, pay to your Company the sum of five hundred pounds; and thereafter a further sum of five hundred pounds monthly for five consecutive months, or until the loss of such steam vessel before the expiration of such five months. And on the

sailing as aforesaid of the second steam vessel, a further sum of five hundred pounds; and thereafter a further sum of five hundred pounds monthly for five consecutive months, or until the loss of such steam vessel before the expiration of such five months. And further that the balance (if any) of subsidy money of the one thousand two hundred and fifty pounds for service, which may from time to time be in the hands of the Government of New Zealand, and coming to him under the said agreement, shall be applied in payment to your Company for any disbursements which they may make for Mr. Hall for wages or coals of or for the steam vessels chartered by them to him,

The undertakings contained herein are of course to be subject to the due performance, from time to time by your Company, of the terms of their charter to Mr. Hall. Subject, however, to such performance, the said monthly sums of five hundred pounds are to be paid in any event, except loss; but the New Zealand Government expressly disclaim any liability to your Company in respect of such charter.

F. Trouton, Esq.,
Manager, Australasian Steam Navigation Company.

I have, &c.,
for and on behalf of the Government of New Zealand.
JULIUS VOGEL,
Postmaster-General.

No. 7.

Copy of ARTICLES OF AGREEMENT between A.S.N. Co. and Mr. H. H. HALL.

ARTICLES OF AGREEMENT made the eleventh day of January, one thousand eight hundred and seventy, between the Corporation of the Australasian Steam Navigation Company, carrying on business in Sydney and elsewhere in the Australasian Colonies, and hereinafter designated "Owners," of the one part, and Hayden Hezekiah Hall, of Sydney, aforesaid, merchant, Consul for the United States of America, and hereafter designated "Charterer," of the other part, whereby it is agreed as follows:—

1. That the said Owners will let and the said Charterer hire the steamships "Balclutha" and "Rangatira," or two other vessels of a like class, accommodation, and tonnage, at the option of the said Owners, and that the said vessels shall be seaworthy, and be furnished with all such equipments, tackle, apparel, and furniture, as are and have been ordinarily used by them as seagoing passenger vessels, and shall be provided with the usual certificate for such vessels from the Steam Navigation Board of New South Wales, required by the laws of the said Colony: and that the first of such vessels in such condition and with such certificate, shall be handed over to the said Charterer on or before the twenty-sixth day of March next, and the other in like manner on or before the twenty-seventh day of April next.

2. That such charter shall continue for the term of five years from the date when the first of such steamships shall be handed over to the said Charterer, but after the expiration of three calendar months from such date shall be determinable upon either party giving three calendar months' notice in writing of intention to determine the same. It being agreed between the said parties that this charter is for six calendar months certain at the least.

4. The Charterer shall provide and pay for the masters, engineers, and crew of the said vessels, and all port charges, wages, provisions, and fuel, and all other ordinary necessities, expenses of working and navigating the chartered vessels; but the Board of Directors or Manager of the said Company shall have the approval of the masters and engineers of the same, and if any master or engineer shall be appointed without such approval, he shall be forthwith removed if his removal be requested by such Board of Directors or Manager of the said Company. The master, engineers, and crew to be the servants of the Charterer, and not of the Owners, the said Charterer being responsible for all their actions.

4. That an inventory of the said ships shall be made, and shall at the time of handing the same over be signed by the Charterer, together with a receipt for the articles named therein, and that all articles contained in the said inventory shall be returned in good order and condition, reasonable wear and tear excepted, by the Charterer, on the said ships being respectively returned to the said Owners.

5. That all repairs required for the said ships shall be executed by the Owners at their own expense, while such ships may be in the Port of Sydney; but any repairs which may be effected by the Charterer while such ships shall be absent from Sydney, shall be done at his own costs, and the said owners shall not be bound to reimburse him such costs.

6. That to prevent the said ships from being arrested at any port, or charged or made liable for the payment of wages or any other expenses, the said Charterer agrees to pay the masters, engineers, and crew, one month's pay in advance before the said vessels leave Sydney on each voyage, by advance notes payable at the offices of the Owners three days after ship's leaving Auckland, for such seamen as are certified as having sailed in the ship, balance, if any, to be handed to Charterer; the amount of such advances to be deposited with the Manager by the Charterer before the commencement of the voyage, and to give an order on the New Zealand Government to hold at the disposal of the said Owners such balance of subsidy payable to the Charterer on each voyage as may remain in their hands, such order to be returned so soon as the Owners shall have ascertained after the termination of each voyage that the conditions of these presents have been complied with by the said Charterer, and that there are no claims affecting the said vessels.

7. The vessels hereby chartered shall not be run or employed by the said Charterer except between the Ports of Sydney in New South Wales, Auckland in New Zealand, and Honolulu in the Sandwich Islands.

8. That the said Charterer shall not carry any passengers or cargo between the Port of Sydney and any Port or Ports in New Zealand, to be landed at such port or ports, or *vice versa*, and for every passenger so carried in contravention of this article shall pay to the said Owners twenty-five pounds, and for every ton or part of a ton of cargo five pounds, as and for liquidated damages.

9. For the use of the said vessels respectively the said Charterer shall pay to the said Owners the sum of five hundred pounds in respect of each vessel upon her being handed over, and a further sum of

five hundred pounds in respect of each vessel every thirty days after the same has been handed over, so long as this charter shall continue—all such payments to be made in Sydney.

10. The said Charterer shall redeliver the said vessels to the Owners in Sydney, and shall pay a rateable proportion of the charter-money for any time during which such vessels respectively shall be detained after the determination of the charter by effluxion of time, or by such notice as aforesaid.

In witness whereof the seal of the said Australasian Steam Navigation Company has been affixed, and the said Hayden Hezekiah Hall has hereunto set his hand and seal, the day and year first above written.

The Seal of the Australasian Steam Navigation Company was duly affixed to this Deed at a meeting of the Board of Directors, held at the said Company's Wharf, the eleventh day of January, one thousand eight hundred and seventy. Present: Messieurs Piddington, Metcalf, Walker, and Milsom, in the presence of

(L.S.)

FRED. H. TROUTON.

Signed, sealed and delivered by the said Hayden Hezekiah Hall, in the presence of

H. H. HALL.
(L.S.)

M. CONSETT STEPHEN, Solicitor, Sydney.

No. 8.

The Hon. J. VOGEL to the Hon. the COLONIAL SECRETARY, Sydney.

SIR,—

Sydney, 10th January, 1870.

It will take some time before any effect can be given to the proposal that New South Wales and New Zealand should mutually aid in subsidizing the proposed Torres Straits and Californian Service. In the meanwhile, the latter will I hope be started. I trust, therefore, you will see it is only right that, pending any permanent arrangement, New South Wales should contribute month by month at the rate agreed on, namely, £10,000 for twelve services to and from San Francisco. I shall be glad to learn what you will do. You will observe by the contract, copy of which I forward you, that the New South Wales contribution is to cover that of Queensland, with which Colony you will be able to make such arrangement as you may agree on for the carriage of its mails.

I have, &c.,

The Hon. the Colonial Secretary, Sydney.

JULIUS VOGEL.

No. 9.

The Hon. J. ROBERTSON to the Hon. J. VOGEL.

(No. 11.)

Colonial Secretary's Office,

SIR,—

Sydney, 10th January, 1870.

I have the honor to request that you will favour me with a copy of the postal contract entered into by you with Mr. Hall, the United States Commercial Agent at this port.

I have, &c.,

The Hon. Julius Vogel, Esq.,
Colonial Treasurer of New Zealand, &c., Sydney.

JOHN ROBERTSON.

No. 10.

The Hon. J. VOGEL to the Hon. the COLONIAL SECRETARY, Sydney.

SIR,—

Sydney, 12th January, 1870.

I have the honor to acknowledge the receipt of your letter of yesterday's date, asking for a copy of the agreement entered into between myself, on behalf of the New Zealand Government, and Mr. H. H. Hall, for a mail service between San Francisco, New Zealand, and Sydney, and in reply to inform you that a copy of that document has been forwarded to you under cover of a letter of even date herewith.

I have, &c.,

The Hon. the Colonial Secretary, &c., Sydney.

JULIUS VOGEL.

No. 11.

The Hon. J. ROBERTSON to the Hon. J. VOGEL.

SIR,—

Colonial Secretary's Office, Sydney, 13th January, 1870.

I have the honor to acknowledge the receipt of your letter of yesterday's date, transmitting copy of the Contract entered into between yourself and Mr. H. H. Hall, for the proposed Californian Postal Service, and suggesting that, pending any permanent arrangement for subsidizing the same, New South Wales should contribute, month by month, at the rate agreed on, namely, ten thousand pounds for twelve services to and from San Francisco.

2. In reply, I have the honor to inform you that this Government is not in possession of authority from Parliament admitting of a compliance with the above suggestion—at any rate, as submitted in your letter under acknowledgment.

3. In asking Parliament to sanction the arrangements already provisionally made between the Colonies of New South Wales, New Zealand, and Queensland, this Government will include provision for the whole period from the date on which the service may commence; and in the meantime, the

Postmaster-General will be asked to give, by departmental arrangement, whatever allowance he can fairly and legally make for the transmission of the mails.

The Hon. Julius Vogel, Esq.,
Postmaster-General of New Zealand, &c., Sydney.

I have, &c.,
JOHN ROBERTSON.

No. 12.

The Hon. J. VOGEL to the CHIEF SECRETARY, Melbourne.

SIR,—

Sydney, 11th January, 1870.

I have honor to inform you that, on behalf of the New Zealand Government, I have succeeded in arranging a contract with Mr. H. H. Hall, of this city, for a steam mail service between Sydney and San Francisco *via* Honolulu. The particulars of it will be found in the copy of the contract forwarded herewith. I also forward copy of charter party between Mr. Hall and A.S.N. Co., for the steamers which are to be employed in the first instance in carrying out this contract.

Although the service will be commenced in an unpretending manner, I trust its success will be none the less assured. Much depends on the other Colonies helping the contractor, and I hope you will see your way to aiding so important an undertaking. It is agreed by the contract that Victoria should be asked to contribute £6,000 per annum for its own use of the service, or £8,000 per annum if Tasmania and South Australia be included; Victoria in the latter case being at liberty to make such arrangements as may be mutually agreed on with those Colonies. I may mention that it is proposed, if Victoria does not make the arrangement with them, to ask from those Colonies £1,500 per annum each. The postages in all cases are to be retained by the Colonies contributing.

I hope, pending a reference to Parliament, you will agree temporarily month by month to contribute to this service. I have asked Dr. Knight to see you on the subject, as he is returning by way of Melbourne to New Zealand.

The Chief Secretary, &c., Melbourne.

I have, &c.,
JULIUS VOGEL.

P.S.—You will observe that under the contract the Postmaster-General of New Zealand can delegate any of the powers vested in him, so that in the event of your contributing to the service, an equal voice can be given to you in respect to the discretionary powers and privileges permitted under the contract.

No. 13.

The Hon. J. VOGEL to the Hon. the CHIEF SECRETARY, Melbourne.

SIR,—

Auckland, New Zealand, 7th February, 1870.

Dr. Knight, who has returned by way of Auckland, informs me that you are anxious, before giving a final answer in regard to contribution to the Californian Service, to ascertain the arrangements for carrying the mails from San Francisco to London.

No special arrangement has yet been made, but by a convention between Great Britain and the United States, the latter country is bound to forward on all closed mails received at San Francisco at a stipulated rate of charge. The mails are therefore safe to be properly conveyed, and the question of cost is not of much importance for a mail or two.

Recently, the United States entered into a convention with the Colony of Hong Kong, very favourable to the latter, for the exchange of mails, and for forwarding them to any country from San Francisco, under precisely analogous circumstances to those which will affect the Australian and New Zealand Service; and I do not doubt that a satisfactory arrangement may be made with the United States by these Colonies. By one of the early mails some one will proceed from New Zealand authorized to treat with the United States on the subject, and I need not add I shall be glad if the other Colonies contributing will also be represented.

In the meanwhile, as I have said, the carriage of the mails is assured,—indeed, the Agent in charge of the first mails will probably go through with them to New York, and see them shipped there.

I have addressed you in the absence of the Colonial Secretary, and because it is desirable your decision should be known as early as possible.

The Hon. the Chief Secretary, Melbourne.

I have, &c.,
JULIUS VOGEL,
Postmaster-General.

No. 14.

The Hon. J. VOGEL to Messrs. ROXBURGH, SLADE, and SPAIN.

GENTLEMEN,—

Auckland, New Zealand, 7th March, 1870.

I enclose you copy of a letter received from H. H. Hall, Esq., also one from the Australasian Steam Navigation Company, and my reply thereto, for you to hand to the Company, unless you are of opinion that the interests of the Government of New Zealand will be imperilled thereby. If so, I leave you to modify it if you think it necessary, or to obtain a further letter from Mr. Hall before delivering it. I replied to Mr. Hall by a private note, telling him to apply to you, and you may already have settled the matter. I wish to do nothing that would prejudice our agreement with Mr. Hall, and give him an excuse for failing to fulfil his part of the contract.

Messrs. Roxburgh, Slade, and Spain, Solicitors, &c.,
Sydney.

I have, &c.,
JULIUS VOGEL,
Postmaster-General.

Enclosure 1 in No. 14.

Mr. H. H. HALL to the Hon. J. VOGEL.

SIR,—

U.S. Consulate, Sydney, 5th February, 1870.

The "Hero" having been detained gives me an opportunity of informing you that I have concluded with the A.S.N. Co. for the steamers named in mine yesterday. I enclose copy of their terms. The guarantee I have offered for the further amount of charter money is to give a similar security to that they now hold from your Government over the subsidy to be received from the Government of N.S.W., in the event of such subsidy not being passed before the vessel's departure. I pay two months in advance for the extended amount, prior to each vessel leaving this port.

May I therefore request you will give me a letter to hand to the A.S.N. Co., stating your sanction to this change.

The Hon. J. Vogel, Postmaster-General,
Auckland.

I have, &c.,

H. H. HALL

Sub-Enclosure to Enclosure 1 in No. 14.

Australasian Steam Navigation Company,

Sydney, 5th February, 1870.

DEAR SIR,—

Your letter of the 4th instant having been submitted at yesterday's Board Meeting, I have now to inform you in reply, that provided the Company receive a satisfactory guarantee, and that the conditions of the charter party are altered in no other respect by this arrangement, the Directors will be willing to substitute the steamers "Wonga Wonga" and "City of Melbourne," the payment being, for the first three months at the rate of £800 for each steamer per month; and for the fourth and all subsequent months, £900 each per month.

I have, &c.,

H. H. Hall, Esq., U.S. Consul,
Sydney.

F. H. A. PHILLIPS,

Secretary.

Enclosure 2 in No. 14.

Australasian Steam Navigation Company,

Sydney, 19th February, 1870.

SIR,—

I have the honor to inform you, that at the request of Mr. H. H. Hall, the charterer of the steamers "Balclutha" and "Rangatira," this Company has agreed to substitute, at a different scale of charge, the "Wonga Wonga," and "City of Melbourne;" and as our solicitors advise that it is necessary that we received your assent to this change, I will be glad if you will, at the earliest opportunity, favour me with your approval thereof.

I have, &c.,

The Hon. J. Vogel, Postmaster-General,
New Zealand.

F. H. A. PHILLIPS,

Secretary.

Enclosure 3 in No. 14.

The Hon. J. VOGEL to F. H. A. PHILLIPS, Esq.

SIR,—

Auckland, 7th March, 1870.

I have the honor to acknowledge the receipt of your letter of the 19th ult., requesting my assent to substitution of the steamers "Wonga-Wonga" and "City of Melbourne" for the "Balclutha" and "Rangatira," and asking my approval thereof.

In reply, I have to state that I approve of the substitution, but without prejudice to the terms of the guarantee in other respects.

I have, &c.,

F. H. A. Phillips, Esq., A.S.N. Co., Sydney.

JULIUS VOGEL,

Postmaster-General.

No. 15.

The Hon. J. VOGEL to His Honor T. B. GILLIES.

SIR,—

Auckland, 1st February, 1870.

I have honor to forward to you a printed copy of the contract for the Californian Service. You will observe that it is therein agreed that the vessels carrying the mails should be exempt from charges for pilotage, lighthouse dues, and wharfage at the Port of Auckland.

This stipulation was made in the full conviction that the Superintendent and Provincial Council of Auckland would willingly consent to any loss which it may entail on the Provincial revenues, and I shall be glad to learn from you that such is the case.

I have, &c.,

His Honor the Superintendent of Auckland.

JULIUS VOGEL,

Postmaster-General.

No. 16.

His Honor T. B. GILLIES to the Hon. J. VOGEL.

(579-70.)

Superintendent's Office, Auckland,

SIR,—

8th February, 1870.

I have the honor to acknowledge the receipt of your letter dated the 1st instant, forwarding a

printed copy of the contract for the California Service, and requesting me to observe that it is therein agreed that the vessels carrying the mails should be exempt from charges for pilotage, lighthouse dues, and wharfage at the Port of Auckland.

In reply I have much pleasure in giving you an assurance on the part of the Provincial Government, of their cordial assent to the exemption made, and also to inform you that they will willingly consent to any loss which it may entail on the Provincial revenues.

The Hon. the Postmaster-General,
Auckland.

I have, &c.,
THOMAS B. GILLIES,
Superintendent.

No. 17.

Memorandum for His Excellency the GOVERNOR by the Hon. J. VOGEL.

MINISTERS respectfully forward to His Excellency two printed copies of the contract for the establishment of a mail service between Sydney, Auckland, and San Francisco; also, a letter to Her Majesty's Postmaster-General. There is every reason to expect that the neighbouring Colonies will contribute to the extent required of them, and that in any case the service will continue.

Ministers desire to move His Excellency to forward the enclosed letter to the Postmaster-General, and himself to recommend compliance with the proposals it contains. Should His Excellency make his communication through the Secretary of State for the Colonies, it would be desirable to urge that there should be no delay in submitting it to the Postal authorities.

Auckland, 8th February, 1870.

JULIUS VOGEL.

Enclosure in No. 17.

The Hon. J. VOGEL to the Right Hon. the POSTMASTER-GENERAL, London.

MY LORD,—

Auckland, New Zealand, 8th February, 1870.

I have the honor to forward for your information, two printed copies of contract for mail service between Sydney, Auckland, and San Francisco, by which you will observe that the Government of New Zealand have entered into a contract with Hayden Hezekiah Hall, Esq., United States Consul at Sydney, to establish a monthly line of mail steamers between Sydney, Auckland, and San Francisco, with every prospect of the service being continued, and for the maintenance of which this Colony will spare no exertion.

The first homeward steamer will leave Sydney on the 26th March next, and Auckland on the 2nd April, and will arrive at San Francisco about the 27th of April. In the months of May and June the steamers will leave Auckland on the 4th of these months respectively, and in July and each succeeding month on the 7th. The return steamers will leave San Francisco for Auckland and Sydney on the 10th of each month. I will, therefore, feel obliged if you will cause all correspondence for New Zealand, originating in, or in transit through, the United Kingdom, and not specially directed *via* Suez, to be sent in mails addressed to New Zealand *via* New York and San Francisco, on such dates as will ensure their reaching San Francisco on the 9th of each month.

So far as this Colony is concerned, the rates of postage on correspondence originating in it for the United Kingdom, and forwarded by this route, will be the same as those collected on correspondence sent by the Suez route. But should the rates on foreign correspondence sent through the United Kingdom *via* San Francisco and New York, be different from those collected on such correspondence for the Suez route, I will be glad if you will cause an amended list of such rates on foreign correspondence sent through the United Kingdom from New Zealand *via* San Francisco and New York to be forwarded to me, for the guidance of this department in crediting the London Office with the proper amount of postage on this class of correspondence.

I have also to inform you that a Mail Agent from the New Zealand Post Office will accompany each outward and inward mail, whose duty it will be to make up on board the steamers, on the voyages between New Zealand and San Francisco, the mails for the United Kingdom, &c., from this Colony; and if desired by you, that those for Great Britain should be made up into two or more portions, I shall be glad to cause such to be done, in accordance with any direction which you may be please to give.

The Mail Agent on the return voyage will also sort the inward mails for New Zealand, and divide them into separate or Provincial mails, to suit the circulation established in the Colony.

In the meantime, and until I receive instructions from you to the contrary, the form of letter bill which was used for the mails for the London Office when sent *via* Panama, will be used for the mails which will be forwarded *via* San Francisco and New York.

Besides the mails for this Colony, closed mails for the Australian Colonies may also be forwarded by this route, each Colony's mails being separate and respectively addressed.

In the view, therefore, of the importance of this mail service both to the United Kingdom and these Colonies, I trust the Imperial Postal Authorities will grant to it the same allowances and privileges in postages, &c., which they granted to the service *via* Panama, or make some substantial contribution to the subsidy. It will be observed that the subsidy is a small one, on the understanding that it will be supplemented by contributions from other quarters.

The Right Hon. the Postmaster-General,
London.

I have, &c.,
JULIUS VOGEL,
Postmaster-General.

No. 18.

The Hon. J. VOGEL to the SECRETARY, General Post Office, London.

SIR,—

Auckland, 19th February, 1870.

On the 8th instant I addressed a letter to the Hon. the Postmaster-General (duplicate

attached) enclosing copy of a contract entered into by the New Zealand Government for a monthly mail service between Sydney, Auckland, and San Francisco.

I have since learned that, during my absence, a letter has been addressed to you from Wellington on the 10th, in which complicated questions are discussed. I beg therefore to request that you will cause the letter dated from Wellington to be cancelled, and that my letter of the 8th instant from Auckland be adhered to.

I have also to request that you will be good enough to cause the necessary arrangements for the transmission of New Zealand and Australian mails between San Francisco and the United Kingdom to be made by your Department.

I beg to express the hope that the Imperial Government will regard this very important service favourably, and contribute liberally towards its maintenance in such manner as referred to in the concluding paragraph of my letter to the Hon. the Postmaster-General, besides undertaking all the charges under the convention with the United States Government.

The Secretary, General Post Office,
London.

I have, &c.,
JULIUS VOGEL,
Postmaster-General.

No. 19.

The Hon. W. Fox to the GOVERNOR of CALIFORNIA.

SIR,—

Government Offices, Wellington, 25th March, 1870.

The Government of New Zealand cannot allow the steamer which is to commence the new line of mail communication with California to depart, without bearing with it, on behalf of this Colony, a warm and cordial expression of congratulation and rejoicing, that henceforth we may hope to be in regular monthly communication with the great State over which you preside. I can assure you that the inhabitants of New Zealand view with much pleasure the prospect of close and friendly relations with the inhabitants of California, to which they anticipate the mail service will lead. They hope, moreover, that commercial results beneficial to both countries will arise.

I have ventured to think that the Public Records of New Zealand will not be without interest to you, and send you those mentioned in the enclosed list.

I shall be very glad to forward to you any of our productions or plants which you may desire to receive; and we shall value as a great addition to our Parliamentary Library, such of the Public Records and Acts of California as you are able to spare.

His Excellency the Governor of California.

I have, &c.,
W. Fox.

No. 20.

The Hon. W. GISBORNE to the Hon. the CHIEF SECRETARY, Tasmania.

SIR,—

Colonial Secretary's Office,
Wellington 28th February, 1870.

I have the honor to enclose copy of a Contract entered into by the Government of this Colony for the establishment of a monthly Mail Service between Sydney, Auckland, and San Francisco.

I need not point out to you the advantages which will accrue to the Australasian Colonies from such a service, by being brought, as they will be, into quick and regular communication with the United Kingdom, the Continent of America, and the West Indies.

The first outward mail will leave Sydney on the 26th March next, and the first inward mail will leave San Francisco on the 10th April.

Special arrangements for transmission of the mails between San Francisco and London *via* New York have not been completed. In the meantime these will be forwarded under the terms of a Postal Convention between the Imperial Government and the Government of the United States, so that no interruption will take place.

An Agent will be sent through to New York with the mails.

You will observe that the subsidy is not very large; much of the success of the undertaking depends on the other Colonies joining in a contribution to the contractors.

From New South Wales and Queensland £10,000 is asked, from Victoria £6,000, and from Tasmania and South Australia £1,500 each.

I trust that your Government will be able to co-operate in this important service by a contribution to the amount named.

The Hon. the Colonial Secretary, Tasmania.

I have, &c.,
W. GISBORNE.

[Letter, of similar tenor and date, No. 52, to the Chief Secretary, Adelaide, South Australia.]

No. 21.

The CHIEF SECRETARY, South Australia, to the Hon. W. GISBORNE.

SIR,—

Chief Secretary's Office, Adelaide, 13th April, 1870.

I have the honor, by desire of His Excellency the Officer administering the Government, to inform you, in reply to your letter of the 28th February last, on the subject of a subsidy to the Mail

Service recently established between New Zealand and San Francisco, that this Government cannot at present enter into the proposed arrangement.

The Hon. the Colonial Secretary,
New Zealand.

I have, &c.,

JOHN V. BAGOT,
Chief Secretary.

No. 22.

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

General Government Offices,

Auckland, 5th April, 1870.

SIR,—

I have the honor to remind you that you have not yet informed me whether you have made provision for contributing month by month, pending other arrangements as suggested in my letter to you of the 10th January, 1870, for the carriage of the New South Wales mails to California, at the rate of ten thousands pounds a year, being the sum agreed on by the contract as that which should be asked from New South Wales—that Colony to make with Queensland such arrangement as the two Colonies might mutually agree on.

I understood that either the Postmaster-General would arrange to make the payments out of ordinary services, or that on Parliament meeting special provision would be sought for the purpose.

I beg you will believe that I am not actuated by any desire to hasten your arrangements, but by the wish, which you also I believe share, to do everything calculated to make a success of the new Mail Service from which so much benefit may result. I need not remind you that the moneys you pay will go to the Contractor, not to the Government of New Zealand.

The Hon. the Colonial Secretary,
New South Wales.

I have, &c.,

JULIUS VOGEL,
(*pro* Colonial Secretary.)

No. 23.

Mr. S. H. LAMBTON to SECRETARY, General Post Office, Wellington.

SIR,—

General Post Office, Sydney, 26th April, 1870.

Referring to the communication, dated the 3rd March last, addressed to the Postmaster-General of New Zealand by the Postmaster-General of New South Wales, on the subject of the conveyance of the mails of the last-mentioned Colony by the line of mail packets recently established between Sydney and San Francisco, I am directed to transmit for your information a copy of a letter, dated the 25th instant, which the Postmaster-General of this Colony has addressed to the Colonial Secretary of New South Wales, which will no doubt be communicated through the proper channel to the Government of New Zealand.

The Secretary General Post Office, Wellington,
New Zealand.

I have, &c.,

S. H. LAMBTON.

Enclosure in No. 23.

Mr. S. H. LAMBTON to the UNDER SECRETARY, Sydney.

SIR,—

General Post Office, Sydney, 25th April, 1870.

I am directed to request that you will be so good as to move the Colonial Secretary to cause a communication, with reference to previous correspondence on the subject, to be addressed to the Chief Secretary of New Zealand, intimating the willingness of the Government of this Colony 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 correspondence conveyed by the San Francisco mail route.

2. I am to state that it will of course be understood that such payment will only apply to correspondence received from and despatched to places beyond New Zealand, and not to correspondence received from or addressed to the Colony of New Zealand.

3. With reference to the last-mentioned correspondence, 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; but that this gratuity was not offered to the master of the "Wonga Wonga," which left on the 26th ultimo, and the Postmaster-General is of opinion that the gratuity should not be offered to the masters of any of the steamers until instructions are received from New Zealand, as it is understood that under the contract (of which, however, the Postmaster-General has no copy,) the master of the steamer is prohibited from receiving any payment otherwise than direct from the Government of New Zealand.

4. I am to add that, in anticipation of the acquiescence of the New Zealand Government in this arrangement, this Colony will continue to dispatch mails by the steamers employed in this mail service.

The Principal Under Secretary, Sydney.

I have, &c.,

S. H. LAMBTON.

No. 24.

The Hon. the COLONIAL SECRETARY, New South Wales, to the Hon. W. GISBORNE.

(No. 70-3321.)

Colonial Secretary's Office,

Sydney, New South Wales, 27th April, 1870.

SIR,—

I have the honor to acknowledge the receipt of your letter of the 5th instant, and to express

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.

No. 27.

The Hon. the POSTMASTER-GENERAL, New South Wales, to the Hon. JULIUS VOGEL.
General Post Office, Sydney, 4th March, 1870.

SIR,—Adverting to my letter of yesterday, intimating the intention of this Colony to forward mails by the line of steam packets it is proposed to establish between Sydney and San Francisco, on the understanding therein particularized, I have the honor to inform you that, until this Department is made acquainted with the details of the arrangements which may be entered into for the transmission of correspondence, it is proposed to make up mails only for London and San Francisco, in the former of which mails will be placed correspondence for the United Kingdom, the Continent of Europe, &c., and in the latter that addressed to America, &c.

2. As it is understood that it is the intention of the New Zealand Government to send an officer by the first mail packet to make the necessary arrangements for the due transmission of correspondence *via* San Francisco, I shall feel much obliged if you will instruct such officer to make whatever arrangements may be needful for the forwarding of the New South Wales portion of the mails, and beg to state that any expense, in addition to the territorial transit rate through America which may be incurred therefor, will be paid by this Department on its being made acquainted with the amount.

3. At the present time there is no information in my possession which would enable me to arrange for any rate which may be levied for postage or for transit on mails from this Colony, nor am I aware with whom to enter into negotiations in the matter. If, therefore, on the return of the officer sent from New Zealand by the first packet, you will communicate to me all the information on the subject which he will have obtained, and which you may think will be useful for the guidance of this office, I shall feel much obliged.

I have, &c.,

DAN. EGAN,
Postmaster-General.

The Hon. the Postmaster-General, Wellington.

No. 28.

The Hon. JULIUS VOGEL to the Hon. the POSTMASTER GENERAL, New South Wales.
General Government Offices, Auckland, 3rd May, 1870.

SIR,—I have the honor to acknowledge receipt of your two letters of the 3rd and 4th March, respectively.

In reply I must refer you to past correspondence with the Colonial Secretary, New South Wales, as also to a letter of even date with this. You will observe by the correspondence and the contract that the only payment which can be admitted from New South Wales is at the rate of ten thousand pounds (£10,000) a year, which payment will also cover the transit of mails from Queensland.

I may observe that this £10,000 passes to the contractor, to whom New Zealand pays considerably more. I should also point out to you that it does not cover the cost of Victorian and other Mails, and I have to request that any mails or letters from Victoria and the other Colonies, except Queensland, passing through your office to be despatched by the Californian Service, be forwarded on as such, and not be included in your own.

An officer has been despatched to America to obtain all the information you seek, and immediately on his return I will furnish you with it.

The Hon. the Postmaster-General, Sydney,
New South Wales.

I have, &c.,
JULIUS VOGEL.

No. 29.

The Hon. the POSTMASTER-GENERAL, New South Wales, to the Hon. JULIUS VOGEL.
General Post Office, Sydney, 24th March, 1870.

SIR,—I have the honor to inform you that it has been suggested to me, that if mails were received and despatched by the line of packets it is proposed to establish between Australasia and San Francisco, once in every four weeks instead of once a month, a time table could be arranged to alternate with that of the Suez line of packets, so as to afford the advantage of a fortnightly mail; and I have been informed that Mr. H. H. Hall is in a position to arrange with the Government of New Zealand for thirteen instead of twelve mails annually, which would be necessary to secure this advantage.

It has, moreover, been pointed out that under the proposed arrangement for a monthly instead of a four-weekly mail, the correspondence from this Colony would frequently be despatched *via* Suez and *via* San Francisco simultaneously.

These points having been suggested to me I give them for your consideration, as you will doubtless concur in the opinion that if the co-operation of any or all of the adjacent Colonies in the maintenance of the new line is desired, it will be necessary to frame such a time table as would enable them to make use of the line to advantage.

I have, &c.,

DAN. EGAN,
Postmaster-General.

The Hon. the Postmaster-General, Wellington,
New Zealand.

No. 30.

The Hon. JULIUS VOGEL to the Hon. the POSTMASTER-GENERAL, New South Wales.
General Government Offices, Auckland, 10th May, 1870.

SIR,—I have the honor to acknowledge the receipt of your letter of the 24th March ultimo, with reference to despatching mails by the Australasian and San Francisco line of steamers once in every four weeks instead of once a month, and in reply have to point out that a fortnightly service by the Suez and Californian routes would only give equal fortnightly intervals to one particular place. This

arises from the fact that the two services proceed in opposite directions, and therefore overlap each other. Suppose the steamers were made to depart at intervals of a fortnight from Sydney, the intervals would be very different in Melbourne and in New Zealand. Let us, for example sake, suppose a Suez steamer was to leave Sydney on the 1st of the month, and a Californian steamer fourteen days afterwards, say on the 15th, the Melbourne time to correspond would be Suez steamer 4th of the month, Californian 12th, or an interval of eight days. The result with New Zealand would be yet more singular. Suppose the same dates at Sydney, the corresponding dates in Auckland would be Californian boat 22nd of the month. Boat to catch Suez steamer 24th of the month. It is therefore evident that the advantages of a fortnightly service alternately by the two routes would be principally confined to one place, and it would follow that the place enjoying the advantage should largely contribute towards the extra cost.

I will confer with the contractor on the subject as soon as he returns from San Francisco, and if he is willing to vary the agreement, will let you know.

The Hon. the Postmaster-General, Sydney,
New South Wales.

I have, &c.,
JULIUS VOGEL.

No. 31.

The Hon. W. GISBORNE to the Hon. the COLONIAL SECRETARY, Sydney, N.S.W.

SIR,— Colonial Secretary's Office, Wellington, 14th February, 1870.

I have the honor to acknowledge the receipt of your letter, No. 70,860, of the 28th ultimo, forwarding copy of a telegram from the Colonial Treasurer, Queensland, intimating the approval of the Government of that Colony, on certain conditions, of the propositions submitted to it relative to telegraphic communication, trade with foreign countries, and the Torres' Straits and Californian Mail Services, and in reply to point out to you that Queensland's conditional assent is to some extent tantamount to opening up the whole question afresh. I hope, however, this will not be necessary, as on examining the two points raised, I am inclined to expect that on reconsideration the Government of Queensland will see fit to affix that unconditional approval to the Memoranda, which is necessary, according to the terms therein contained, to enable them to be forwarded to the other Colonies.

The first point, about the guarantee being payable only whilst the cable is in working order, is undoubtedly a question to be dealt with when the guarantee is given. Provision will have to be made to guard against failure of cable and to preserve it in working order; but the Colonies guaranteeing will be parties to the agreement, and this and other points will have to be dealt with by them jointly. At present there seems no object to be gained by loading the Memorandum with conditions.

The second point, about the cost of service between Queensland and New South Wales, is one with which the two Colonies will have to deal. By the agreement, you will observe that New South Wales and Queensland are together to contribute ten thousand pounds (£10,000), it being between them a matter of arrangement what amount each shall pay. The whole money goes to the contractors with whom the contract is already made. Similarly, Victoria is asked for six thousand pounds (£6,000), she having to make her own arrangements for connecting with New South Wales. When you consider that Sydney is to be the terminus of the Californian Service, I am sure you will agree to make such an arrangement with Queensland as will remove the objection raised.

I have, &c.,
W. GISBORNE.

The Hon. the Colonial Secretary, N.S.W.

No. 32.

Dr. KNIGHT to the Hon. W. GISBORNE.

SIR,— Sydney, 28th January, 1870.

I have the honor to enclose a copy of the letter which I addressed to the Colonial Secretary of Victoria, in reference to the transit of Colonial mails from San Francisco to Southampton.

At an interview with the Colonial Secretary in Melbourne, doubts were raised as to whether the necessary steps had been taken to secure the safe transit of these mails to Southampton; and whether the Australian Colonies would be required to enter into a separate Convention with the United States for the territorial transit of their mails from San Francisco to New York. It was also a matter of inquiry, what expenses would be incurred by the Australian Colonies for the carriage of their mails from San Francisco to New York, and from the latter port to Southampton?

In respect of the question, whether a separate Convention with the United States is required, it is sufficiently clear that the Postal Convention between the United States and Great Britain includes the correspondence between Great Britain and her Colonies; and in reference to the cost of transit of British and Colonial mails through the United States, the Convention provides that 3½ cents per ounce is to be paid to the United States. It is to be observed, however, that a similar rate is to be paid to Great Britain for the inland carriage of United States correspondence through Great Britain. Probably, therefore, the same rate would be paid by the United States, for the inland carriage of its correspondence in the Australian Colonies. I have not in my letter to the Colonial Secretary of Victoria alluded to this probable set-off against the territorial charge of the United States.

It will be seen from the enclosed letter that I am of opinion no expense in addition to the territorial charge of the United States will fall upon the Australian Colonies for the carriage of mails between San Francisco and New York, with the exception of a trifling charge for office accommodation at San Francisco and New York.

I have, &c.,
CHARLES KNIGHT,
Auditor-General, N.Z.

The Hon. the Colonial Secretary,
Wellington.

Enclosure in No. 32.

Dr. KNIGHT to the Hon. the COLONIAL SECRETARY, Melbourne.

SIR,—

Sydney, 28th January, 1870.

In reference to the transit of Colonial mails from San Francisco to New York, and from the latter port to Southampton, and the cost thereof, I have the honor to inform you that I have succeeded in obtaining in Sydney a copy of the Postal Convention between the United States and Great Britain.

I find that, under the terms of the Articles of Convention, Colonial mails for England arriving at San Francisco must be delivered as "Closed mails" at the Foreign Closed Mail Office, in San Francisco, and are liable to a charge of $3\frac{3}{4}$ cents an ounce for the territorial transit to New York.

Besides the "Closed mails," there is the correspondence between the United States and the Australian Colonies. Under the Postal Convention with the United States, fixed rates of postage must be collected by the despatching office, and each Government must render accounts of mails despatched. It may be assumed that, on the settlement of this account, it will be found that the amount collected in each country is nearly the same, and that consequently the Colonies will be only called upon to defray the territorial charge of $3\frac{3}{4}$ cents an ounce on closed mails between San Francisco and New York.

In addition to the territorial charge, the Colonies will probably be required to defray a portion of the cost of maintaining the Foreign Closed Mail Offices in San Francisco and New York, but this will be a trifling charge.

There remains the transit of mails from the Foreign Closed Mail Office in New York to Southampton. No portion of the cost of this can, however, fall on the Australian Colonies; but on the other hand it may be that Great Britain will be called upon to contribute towards the cost of the carriage of her mails from San Francisco to the Australian Colonies, in consideration of the greater distance from San Francisco to the Australian Colonies than from New York to Southampton, the cost of transit of the greater distance being defrayed by the Colonies, and that of the shorter distance by Great Britain. Any allowance made by Great Britain on this account should be retained by the contracting Colonies.

Under the terms of the Articles of Convention, each country must make its own arrangements for the despatch of its mails to the Foreign Office by well-appointed ships, and remunerate the owners of such ships for the conveyance of mails. It must, however, be understood that any contribution by the Government of the United States for the carriage of its mails from San Francisco to the Australian Colonies will be entirely for the benefit of the present contractor.

The Hon. the Colonial Secretary,
Melbourne.

I have, &c.,

CHARLES KNIGHT,
Auditor-General, N.Z.
