

10. Tenders shall be invited in the Australian Colonies and in England and America for the two services, which, in both cases, may be invited through or with the concurrence of the Imperial Government, if found practicable and convenient; and such tenders shall provide for commencing the San Francisco Service not later than the 31st of March, 1873, and for commencing the Suez Service immediately on the termination of the present contract for that service by effluxion of time or otherwise, and the 31st of March next shall be the latest period for sending in tenders.

11. The Colonies of Victoria, New South Wales, South Australia, and Queensland shall pay annually to the Colony of Tasmania, in consideration of that Colony joining in this agreement, towards the expenses of the two branch lines which it must establish to enable it to have the benefit of the postal lines above mentioned, the sum of £1,200, in the following proportions, namely:—

	Estimated Population (exclusive of Aborigines).	Proportionate Payment.
Victoria	728,734	£571 4 1
New South Wales	501,580	393 3 1
South Australia	185,626	145 10 0
Queensland	115,000	90 2 10
	1,530,940	£1,200 0 0

12. This agreement is made subject to the condition that it shall be approved of by the Legislatures of the Colonies interested therein; and the parties hereto pledge themselves to use their best efforts to obtain such approval.

13. For the purpose of more conveniently carrying out this agreement, the Governments of Victoria and New South Wales are authorized to take the necessary measures in that behalf.

(Signed)

C. GAVAN DUFFY,
GRAHAM BERRY,
JAMES MARTIN,
GEORGE W. LORD,
JOSEPH DOCKER,
JOHN HART,
WILLIAM MILNE,
W. MORGAN,
J. MALBON THOMPSON,
THOMAS L. MURRAY-PRIOR,
J. M. WILSON,
JAMES DUNN.

Memorandum of Business Transacted.

After the terms of agreement in reference to the permanent mail services by way of Suez and San Francisco had been settled, the consideration of the proposed services by way of the Cape of Good Hope and Batavia was entered upon.

With reference to the service by way of the Cape of Good Hope, the Delegates from New South Wales, Queensland, and Tasmania stated that they felt themselves unable, on behalf of their Colonies, to join Victoria in subsidizing that route; and the Delegates from South Australia stated that, having already agreed to subsidize the lines by way of Suez and San Francisco, they were unable to join in supporting the Cape route, as otherwise they would have been desirous of doing.

With reference to the service by the way of Batavia, after discussion, it was found that no agreement could be arrived at for Victoria, New South Wales, South Australia, and Tasmania uniting with Queensland in supporting such a service.

The consideration of a temporary service by way of San Francisco was then proceeded with, and it was proposed by the Delegates from Victoria that negotiations should be entered upon with the companies at present carrying mails from New Zealand to San Francisco, and from Sydney to San Francisco, with a view to obtain the best temporary service practicable upon terms which would make the united cost of the present Suez route and any temporary route by San Francisco fall upon the contributing Colonies in the ratio of population. The Delegates from New South Wales refused to negotiate for any service on the basis of the New Zealand contract; and as complete agreement was the necessary preliminary of joint action, the proposal was necessarily abandoned.

It was then proposed by the Delegates from New South Wales that an arrangement should be made with Mr. Hall for a service by which the mails should be carried between San Francisco and Melbourne, calling at Moreton Island and Sydney both ways, the mails being delivered both ways, in London and Melbourne, within 48 days; and that New South Wales should contribute towards such service at the rate of £15,000 a year, until some permanent arrangement for a San Francisco service should be made. It was ascertained that the Postmaster-General in London had announced his intention of charging twopence on each newspaper, and threepence on each letter, of half an ounce, by this line, in addition to the postage charged in