

FURTHER PAPERS RELATIVE TO THE SUEZ MAIL SERVICE.

No. 1.

The Right Hon. the EARL of KIMBERLEY to Governor Sir G. F. BOWEN, G.C.M.G.

SIR,—

Downing Street, 20th October, 1871.

You are aware that for some time past the Government of South Australia has been endeavouring to obtain an alteration in the arrangements with the Peninsular and Oriental Company, with the view of providing for the delivery of the South Australian mails at a port within the Colony. A correspondence, of which I enclose copies, has lately taken place on this subject between the Governors of New South Wales, Victoria, the General Post Office, the Agent-General of South Australia, and this Office. Partly published,
vide Enclosures.

I have caused Mr. Dutton to be informed, in reply to his letter of the 30th ultimo, that, as this is a question affecting the interests of the Australian Colonies generally, it would be manifestly impossible for me to offer any opinion upon it without previously ascertaining the views of those Governments. Not published.

I have accordingly to request that you will place yourself in communication with the Governor of South Australia, and that you will inform him whether your Government have any objection to offer to the proposals of the Company, as conveyed in their letter to the General Post Office of the 22nd of September, so far as the proposals affect the Colony under your Government. Sub-Enclosure 2
to Enclosure in
this letter.

I have addressed a similar communication to the Governors of the Australian Colonies, and I have requested the Governor of South Australia to forward to me a copy of any communication he may receive from you on the subject.

Governor Sir G. F. Bowen, G.C.M.G.

I have, &c.,
KIMBERLEY.

Enclosure in No. 1.

MR. TILLEY to the SECRETARY to the TREASURY.

SIR,—

General Post Office, 27th December, 1870.

I am directed by the Postmaster-General to return herewith the papers referred to this Department on the 15th ultimo and 15th instant, respecting the desire of the Government of South Australia that some arrangement should be made with the Peninsular and Oriental Steam Navigation Company to provide for the delivery of the South Australian mails at a port within the Colony,—Holdfast Bay being preferred. Sub-Enclosures 1
and 2.

Having represented the circumstances of the case to the Company, and inquired whether they were prepared to make the proposed call, and, if so, on what conditions, Lord Hartington has received from them the reply of which a copy is transmitted with this letter. Sub-Enclosure 1.

In it the Company state that the deviation of the route of their mail packets to Holdfast Bay would increase the annual mileage performed to the extent of nearly 4,000 miles, adding thereby a considerable sum to the expense of the service, and that they could not undertake it without an additional payment, at the same rate per mile as for the existing service. But even on these terms they hesitate to make the change without first ascertaining the feeling of the Colonies of Victoria and New South Wales, which, from their more easterly position, would be injuriously affected by it, and they propose, therefore, to communicate at once with their agents at Melbourne and Sydney.

Some time must necessarily elapse before the result of the Company's inquiries can be learned; and Lord Hartington would suggest that advantage be taken of the interval for asking the Governors of Victoria and New South Wales whether they have any objections to offer to the proposal of South Australia.

The Secretary to the Treasury.

I have, &c.,
JOHN TILLEY.

Sub-Enclosure 1 in No. 1.

MR. HOWELL to the SECRETARY, General Post Office.

Peninsular and Oriental Steam Navigation Company,

SIR,—

122, Leadenhall Street, E.C., London, 20th December, 1870.

I have the honor to acknowledge the receipt of your letter of 2nd instant, stating that the Government of South Australia is desirous that some arrangement should be made with this Company for the delivery of the South Australian mails at a port within that Colony, and inquiring whether the Directors are willing to undertake this service, and, if so, on what conditions. Not published.

In reply, I am desired to state that the deviation of the Company's steamers to Holdfast Bay, which would no doubt be the most convenient place for the colonists, would increase the annual mileage performed in the Australian Mail Service to the extent of nearly 4,000 miles, adding thereby a considerable sum to its expense; while it is the opinion of the Directors that the navigation would involve considerable risks for steamers of the size and draft of water of those employed by the Company.

Upon these grounds, therefore, the Directors must demur to the proposal that this additional