

to perform at the time they were taken up; but, notwithstanding the difficulties which had to be overcome in opening up a new line, and the delays that took place which would be avoided by a well-established service, the experiment was sufficiently successful to show that, by the use of a proper class of steamers, it may be anticipated that the passage from Brisbane to Batavia, including stoppages, may be accomplished in fifteen days.

The present voyage from Batavia to Galle, including detention, occupies twelve days and a half; but it has been suggested that, instead of the mails being conveyed to Singapore, the route should be so changed as to connect with a branch steamer at Java Head; and if this change is adopted the voyage could be performed in eight days, thus effecting a saving of four days in the mail time between Batavia and Point-de-Galle.

Until the views of your Government on this subject are ascertained, it is not considered necessary to make any alteration in the proposals submitted in my former communication of 14th October last, to which I have already referred you.

Although of opinion that the advantages to be derived from the proposed service preponderate on the side of New South Wales, the Government are still prepared to adhere to their former offer—that in the event of one moiety of the amount required being contributed by New South Wales and Victoria, Queensland will take upon herself the responsibility of the other moiety.

It must, however, be borne in mind that Mr. Fraser's proposals that Sydney should be the terminus of each voyage in his mail line to Batavia, calling at Brisbane and Northern Queensland ports in the manner provided by paragraph 3 of the heads of agreement to form the basis of a contract, has only been assented to in contemplation of the Government of New South Wales joining with this Government in granting the subsidy asked for.

Mr. Fraser is prepared, in the event of the other Colonies refusing to support the line, to make Brisbane the terminus; and should such a necessity arise, the Government will have no hesitation in insisting upon the fulfilment of this condition.

A copy of this letter, with the enclosures referred to, will be forwarded for the information of the respective Governments of Victoria, New Zealand, and Tasmania; and pending further negotiation, I should be glad if you would favour me with the decision arrived at by your Government, at as early a date as possible.

The Hon. the Colonial Secretary, New South Wales.

I have, &c.,
A. H. PALMER.

No. 2.

The Hon. W. GISBORNE to the Hon. A. H. PALMER.

Colonial Secretary's Office, Wellington, 2nd July, 1872.

SIR,—

No. 1 of this
series.

I have the honor to acknowledge the receipt of your letter of the 14th May last, in which you forward a resolution of the Houses of Parliament in Queensland, empowering the Government of that Colony to make arrangements for establishing steam postal communication with Great Britain, by way of Java, and request an intimation of the views of this Government on the subject of its concurrence and assistance in subsidizing that line.

Enclosure to this
letter.

Your letter has been referred to the Postmaster-General of this Colony, and I enclose a copy of a letter which he has addressed to me on the subject. The Government concur in the views contained therein, and would be glad to see established, on the basis proposed by Mr. Vogel, an agreement between the two Colonies of Queensland and New Zealand, which would give them a common interest in a postal and commercial service circling the globe, and connecting them with each other and with Great Britain, through the United States on the one hand, and through Java and Singapore on the other.

It is unnecessary for me to add to what Mr. Vogel has already stated on the great advantages which such an arrangement, at a comparatively small cost, would secure to both Colonies; and I trust that your Government will be able to recommend its adoption to the Parliament of Queensland.

I have, &c.,
W. GISBORNE.

The Hon. the Colonial Secretary, Brisbane, Queensland.

Enclosure in No. 2.

The Hon. J. VOGEL to the Hon. W. GISBORNE.

SIR,—

Wellington, 21st June, 1872.

I have the honor, in compliance with your request, to report upon a proposal to establish a mail service to and from Great Britain *via* Java, as contained in correspondence forwarded by the Hon. Mr. Palmer, the Colonial Secretary of Queensland.

No. 1 of this
series.

In his circular letter to you, Mr. Palmer says, "I should be glad to have, at your earliest convenience, an intimation of the views of your Government on the subject." This invitation may be construed to mean, either that Mr. Palmer simply desires an expression of opinion whether this Government would be willing to contribute towards the subsidy which the Queensland Government propose to pay, or that he desires to know the views of this Government upon the whole question of mail services.

I will presume, for the present, that the latter is intended; and, therefore, will not confine myself to reporting upon the proposal that this Government should contribute towards a subsidy of £25,000.

The contract into which the Queensland Government has entered is, I observe, for a service from Batavia to Sydney; but it also seems to be specified in the memorandum of agreement, that the mails are to be delivered at Singapore. I presume it is intended that there shall be a branch service from Batavia to Singapore. I fail to discover that provision has been made for communication between Singapore and England; but I suppose that an arrangement could without difficulty be made, under