in connection with the time-table for the San Francisco Mail Service during the current year; and also in connection with the suspension of payment by Mr. Macgregor, one of the sureties of the Contractors for the San Francisco Mail Service.

The steps taken by you in respect to the various matters brought under notice in your letters appear to meet all requirements, and the Government is content to leave any further proceedings or negotiations in your hands and those of your solicitors, Messrs. Mackrell and Co.

I have, &c.

The Agent-General for New Zealand, London.

J. T. FISHER, Postmaster-General.

No. 73.

Mr. Gray to the SECRETARY, General Post Office, Sydney.

Sir,—

I am directed by the Postmaster-General to request that the share due to this colony on account of correspondence received and despatched by the San Francisco mail route on account of non-contracting colonies during the year 1877, may be remitted in time to be included in the accounts of this Department for the financial year ending the 30th June next.

I have, &c., W. Gray,

The Secretary, General Post Office, Sydney.

Secretary.

No. 74.

Mr. LAMBTON to the SECRETARY, General Post Office, Wellington.

With reference to your letter dated the 5th ultimo, I have the honor to inform you that a statement of account (similar statement enclosed to you herewith), showing the amount of £2,526 14s. 1d. to be due by this colony to New Zealand on account of correspondence received and despatched by the non-contracting colonies viâ San Francisco during the year 1877, has been forwarded to the Treasury, with a request that the amount in question may be remitted, in accordance with the desire expressed in your letter, in time to be included in your departmental accounts for the financial year ending the 30th proximo.

I have, &c.,

S. H. LAMBTON,

The Secretary, General Post Office, Wellington.

Secretary.

Enclosure 1 in No. 74.

The Government of New Zealand in Account with the Government of New South Wales.

By one-half collections on correspondence conveyed by San Francisco Mail steamships during the year 1877 on account of the noncontracting colonies, as per statement herewith

. ... £2,526 14 R. A. NIGHTINGALE,

The General Post Office, Sydney, 16th May, 1878.

Accountant.

Enclosure 2 in No. 74.

STATEMENT of Amounts due and received by New South Wales from Non-contracting Colonies on account of Correspondence received and despatched by the San Francisco Mail steamships during the year 1877.

							æs.	a.
Victoria Queensland South Australia West Australia	•••				•••		3,116 19	3
			•••	***	•••		1,149 9	4
							527 11	4
					•••		47 19	7
Tasmania	•••	•••	***	•••			211 8	8
							£5,053 8	2
New South Wale	es		•••	•••	•••		2,526 14	1
New Zealand	•••	***	•••	***	•••	•••	2,526 14	1

General Post Office, Sydney, 16th May, 1878.

R. A. NIGHTINGALE, Accountant.