

Contractors have agreed to advertise the sailing of their steamers from San Francisco a day in advance of the dates fixed by the time-table.

On two occasions have the homeward mails been despatched by special train from San Francisco, and transferred to the through trains—once at Sacramento, and again at a point about 150 miles east of San Francisco. This resulted in the saving of valuable time, and enabled the mails to be delivered in London much earlier than if they had been detained for the ordinary trains. Whenever a considerable saving of time can be effected by the use of a special train, and a junction with the through train is practicable within a reasonable distance from San Francisco, special arrangements will be made.

For accelerating the transmission of the mails between San Francisco and New York, the colonies are much indebted to the United States Post Office and to the Contractors. Both have taken considerable interest in the matter; and the Post Office authorities have on more than one occasion made special arrangements for the early delivery of the homeward mails in New York, in order to have them forwarded by fast steamers. In the matter of railway transit the department's Resident Agent at San Francisco has been most assiduous and untiring in his efforts to secure prompt and speedy despatch.

While the San Francisco Service has shown such marked results, it should be remembered that the Galle and Suez Service has also been performed in a manner hitherto unequalled—in point of time. It has been the rule, rather than the exception, for the outward mails to reach Melbourne six and seven days in advance of the due dates. The homeward voyages, however, do not show equally good results. This will at once be apparent when it is stated that, from May, 1877, to April last, the average voyage from Melbourne to London *via* Brindisi occupied 45·33 days, while the average of the outward voyages by the same route was 41 days. The quickest delivery of mails from London to Melbourne by way of Brindisi was made in 38 days. Notwithstanding this fact, it has not been practicable to deliver the mails at the Bluff in less than 44 days, and at Wellington in 47 days; while, by the San Francisco route, the London mails have been landed in Auckland in 40 days, and in Wellington in 42 days. Comparing the homeward voyages, the results are still more favourable to the San Francisco line, by which mails from Wellington and Auckland have been delivered in London in 41 and 38 days respectively; while, by the Galle-Brindisi route, the quickest delivery in London has been, from Wellington 54 days, from the Bluff 51 days, and from Melbourne 43 days.

That the time between Melbourne and London by way of Brindisi can be reduced is readily admitted; but, presuming the journey may be accomplished in 37 days, and to the Bluff in 41 days, that would not admit of mails between this colony and London being delivered so rapidly as could be assured by the San Francisco route. Therefore, for mail purposes, the service *via* America is the one best calculated to meet the requirements of this colony. It should be remembered that it has taken years for the Galle Service to reach its present state of efficiency, and that, until the advent of the late Panama Service, the Galle Service was one noted for irregularity. That the San Francisco Service is capable of being still further improved should also be acknowledged, seeing that the capabilities of the line may be said to be yet undeveloped. With vessels on the Pacific capable of attaining an average speed of 300 miles per diem, with improved overland transit between San Francisco and New York by fast mail trains, and fixed arrangements for the transmission of the mails over the Atlantic by the fastest steamers, it is not too much to expect that the journey between London and New Zealand may be accomplished in 35 days. If this be practicable, it will yet be possible to deliver mails *via* America, between London and the Bluff, in 40 days.

Of the San Francisco Service, it may be said that the colony receives a maximum return for a minimum expenditure. The charge on the revenue of the colony is a diminishing one, and with the natural increase of correspondence, so will the net cost decrease year by year.

The receipts and payments on account of the San Francisco and Galle Mail Services for the year 1877 are shown by the statements underneath:—

SAN FRANCISCO SERVICE.

DR.		£	s.	d.	£	s.	d.
Subsidy to Pacific Mail Company	...	32,500	0	0			
Estimated bonus due Contractors	...	1,015	0	0			
Interprovincial Services, Mail Agents, &c.	...	7,287	0	0			
					40,802	0	0
CR.							
Postages from London Post Office	...	12,468	7	5			
Postages collected in the colony	...	12,625	3	3			
Receipts from non-contracting colonies	...	2,526	14	1			
					27,620	4	9
Net cost to the colony	...				£13,181	15	3

The estimated net cost of the service to the colony for the year 1876 was £23,741 13s. 7d.

GALLE AND SUEZ SERVICE.

DR.		£	s.	d.	£	s.	d.
Payments to Victoria	...	7,753	6	6			
Intercolonial Service, &c.	...	5,104	0	0			
					12,857	6	6
CR.							
Postages from London Post Office	...	3,078	3	7			
Postages collected in the colony	...	2,935	1	11			
					6,013	5	6
Net cost to the colony	...				£6,844	1	0

For 1876 the net cost was £6096 2s. 11d.