

Auckland officials withholding our money to pay Foster and Thomson. Foster and Thomson performed no service for us. We had our own counsel. Foster and Thomson acted for Commissioners. Will write fully next steamer.

"To Williams, Blanchard, and Co.

"J. B. HOUSTON, Second Vice-President."

We have therefore the honor to request that you will place to our credit in the Bank of New Zealand the sum deducted as above.

We have, &c.,

GILCHRIST, WATT, AND CO.,

General Agents for the Contractors, San Francisco Mail Service.

The Hon. the Postmaster-General, Wellington.

No. 44.

Mr. GRAY to Messrs. GILCHRIST, WATT, and Co.

GENTLEMEN,—

General Post Office, Wellington, 23rd December, 1876.

I am directed by the Hon. the Postmaster-General to acknowledge the receipt of your communication of the 17th ultimo, embodying the substance of a telegram sent from the head office of the Pacific Mail Company, on the 5th of October last, to Messrs. Williams, Blanchard, and Co., of San Francisco, in reference to a deduction of the sum of £59 12s. 3d., moiety of law costs due Messrs. Foster and Thomson, made from the subsidy scheduled for your credit on the 9th of August last.

In reply, I am directed to inform you that this Government will await the receipt of a further communication from you on the subject before discussing the objections raised by the Pacific Mail Company to the deduction in question.

I have, &c.,

W. GRAY,

Secretary.

Messrs. Gilchrist, Watt, and Co., Sydney.

No. 45.

Messrs. GILCHRIST, WATT, and Co. to the Hon. the POSTMASTER-GENERAL, Wellington.

SIR,—

Sydney, 11th January, 1877.

We have the honor to acknowledge receipt of your letter of 23rd December, and to state that we have forwarded a copy of same to the President of the Company at New York.

We have, &c.,

GILCHRIST, WATT, AND CO.,

General Agents for the Contractors, San Francisco Mail Service.

The Hon. the Postmaster-General, Wellington.

No. 46.

Messrs. GILCHRIST, WATT, and Co. to the Hon. the POSTMASTER-GENERAL, Wellington.

SIR,—

Sydney, 18th December, 1876.

Referring to your letter of 29th July last, in regard to Messrs. Foster and Thomson's claim for costs, and our reply thereto of 22nd August, we have the honor to enclose copy of a letter (31st October) received from the Pacific Mail Steamship Company, New York, in which they entirely repudiate any liability on account of such claim.

We have therefore the honor to request that the sum of £59 12s. 3d., deducted by you, may be lodged to our credit in Bank of New Zealand.

We have, &c.,

GILCHRIST, WATT, AND CO.,

General Agents for the Contractors, San Francisco Mail Service.

The Hon. the Postmaster-General, Wellington.

Enclosure in No. 46.

Mr. ROGERS to Messrs. GILCHRIST, WATT, and Co.

Office of Pacific Mail Steamship Company, No. 6, Bowling Green,

New York, 31st October, 1876.

DEAR SIR,—

Referring to your favour of , and our reply by last departure through Messrs. Williams, Blanchard and Co., touching claim of Foster and Thomson, and the withholding of amount from subsidy due us by New Zealand Government officials, we now hand you copy of our answer to such pretended claims in September, 1875. The attempt of the New Zealand officials to fasten upon us so unwarranted a tax is as surprising as it is unjust, and we decline to recognize such indebtedness.

I have, &c.,

AMOS ROGERS,

Second Vice-President.

Messrs. Gilchrist, Watt, and Co., Sydney.