

No. 23.

The AGENT-GENERAL to the Hon. the PREMIER.

(Telegram.)

London, 21st August, 1878.

POSTAGES. Forster and I had interview with Secretary State. Think action Agents-General done good. Sir Michael favourable to question being reconsidered. Said Government not finally decided. The Hon. the Premier, Wellington.

J. VOGEL.

No. 24.

The AGENT-GENERAL to the Hon. the POSTMASTER-GENERAL.

SIR,—

7, Westminster Chambers, London, S. W., 29th July, 1878.

I have the honor to forward to you the copy of a despatch, dated the 5th July, which I have received from the Secretary of State for the Colonies, forwarding to me the copy of a circular despatch and enclosures which he had sent to the Governor of the colony on the subject of the arrangements to be made after the end of the present year with regard to the postages collected in this country for the postal matter despatched to Australia and New Zealand. I beg you to observe that though, in the circular despatch dated the 1st July, Sir Michael Hicks-Beach wrote that he had communicated a copy to me, his letter to me was dated on the 5th, and did not reach me till I had despatched the mail of that date. I mention this lest you should think I should have communicated with you sooner. I did not lose any time in taking action in the matter. I at once saw the senior Agent-General, Sir Archibald Michie, and he agreed to call a meeting of the other Agents-General. The first meeting so called was postponed in consequence of the absence of the Agent-General for New South Wales.

At the second meeting also that gentleman did not attend, and, as he was out of town, we thought we could not longer delay and we transmitted the telegram to Melbourne (copy attached). We also agreed that Sir Archibald Michie should ask the Secretary of State for the Colonies to receive the Agents-General, to listen to their personal representations on the subject.

In the meanwhile I thought it desirable to send to the Secretary of State a statement of the views I took on the matter. Sir Archibald Michie proposed to do the same. I suggested to him a joint memorandum, but he preferred a separate representation. I enclose you a copy of the letter in which I embodied the views which I thought would be acceptable to the New Zealand Government. I have had it printed for convenience sake, and to enable me to send a copy to the other Governments concerned.

I also enclose a copy of a memorandum by Sir Archibald Michie.

Before our interview with Sir Michael Hicks-Beach we became aware that the Agent-General for New South Wales had taken separate action. He telegraphed to his Government, asking if he should wait before doing anything till he received written communications from Sydney, and the answer being in the affirmative, he has not acted with us; but, as he intimated to the Colonial Office that he was delaying action because of instructions from his Government, there is little doubt that the result of our interview with the Secretary of State, which I am about to relate, was largely affected by the intimation.

Sir Archibald Michie, Mr. McAllister and I, had an interview with Sir Michael Hicks-Beach on the 29th instant. At the last moment Sir Arthur Blyth was unavoidably prevented from joining us. There were present at the interview Sir Henry Ibbotson and Mr. Stronge, on behalf of the Treasury, and Mr. Page, on behalf of the Post Office.

Sir Archibald Michie commenced the interview by ably reviewing the previous circumstances in connection with the postal service. Especially in reference to the present subsisting contract for the Galle-Melbourne Service, he contended that there was no justification for the step proposed to be taken.

I followed Sir Archibald. My arguments were similar in nature to those contained in the letter I had already sent in. I contended that it could not be supposed that the mother-country would, without notice, alter the whole principle of mutual responsibility for the Australian Mail Service, which, in various shapes, had been recognized and adopted over a period of at least twenty-five years. I then showed that there was nothing to justify the proposed alteration, which in reality involved taking from us £33,000 more than at present. The total increased cost of transmission both ways across the Continent of America, taking the weights of six mails in 1876 as the basis of calculation, amounted to only £3,600 per annum. The Atlantic service was under the present system one-half the cost of the system prevailing before 1876. It is true that under the present plan the exact cost of the Australian mails can be ascertained, because the payment is by weight instead of by a lump sum; but this plan involved a saving, and it did not matter to us what was the nature of the arrangement for carrying the Pacific mail. In either case it was recognized that the carriage of the mails to America involved a valuable consideration. In conclusion, I strongly protested against the arbitrary nature of the proceeding. If, I urged, a change was necessary, the colonies should have been invited to discuss it on the basis of facts and figures; whereas the course adopted was to make a trifling excess of expenditure on part of one route, which was more than counterbalanced by a saving on another part of the same route, the excuse for levying a contribution infinitely in excess of anything that upon any fair principle could be justified.

Mr. McAllister followed. Briefly but forcibly he expressed his approval of what had previously been said, and especially he supported Sir Archibald Michie's contention that on the Galle and Singapore routes there was not a shadow of excuse for the proposed step.

Sir Michael Hicks-Beach then intimated to us that he would look into the matter and consider our representations; but he also gave us to understand that he would await communications from the various Governments. I fear this delay has arisen through the separate action of New South Wales, to which I have already referred.