No. 9.

Mr. Fox to Mr. GAMBLE.

Sir.— Government Offices, Wellington, 29th September, 1881.

The Premier has directed me to acknowledge his receipt of your letter of the 24th instant.

2. I am to thank you for the explanation given as to proposed action by the President of the Pacific Mail Steamship Company, to endeavour, through Congress, to secure from the Government and the people of the United States a proper recognition of the importance of the service established by the company under its contract with New South Wales and New Zealand. This Government must necessarily feel much interest in such action, and would be glad to be able to co-operate therein.

3. Your letter has been referred to the Postmaster-General for consideration; and I am to ask that you will be so good as, without delay, to supply to Mr. Johnston such evidence as may be at your command respecting the expressed wish of the New South Wales Government that the contract should be renewed.

I have, &c.,

T. T. Gamble, Esq., Agent, Pacific Mail Steamship Company, Auckland.

E. Fox.

No. 10.

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

Sydney, 27th September, 1881.

We have the honor to enclose extract from letters from the President of the Pacific Mail Steamship Company in reference to the continuance of the mail contract, from which you will gather that probably a representation from the contracting Governments of New South Wales and New Zealand would induce the Congress of the United States to share the cost of any new service with the colonies, and thus lessen very much the cost to the latter while retaining all the advantages of the service; to which we beg your attention, in the hope that some action, such as is suggested by the President of the Pacific Mail Steamship Company, may be taken by the Government in conjunction with that of New South Wales.

We have, &c.,

GILCHRIST, WATT, AND Co., General Agents.

The Hon. the Postmaster-General, Wellington.

Enclosure 1 in No. 10.

The President, Pacific Mail Steamship Company, to Messrs. Gilchrist, Watt, and Co.

Extract from Letter received from the President of the Pacific Mail Steamship Company of New York.

"The question of continuing the Australian line after the expiration of the present contract will depend entirely on the encouragement given by the colonial Governments and (or) our own, as with the business so far developed we certainly do not feel encouraged to run the line unless we receive from some source mail pay equivalent at least to that at present received from the colonial Governments. You are doubtless aware that efforts have been repeatedly made to induce our Congress to recognize in some way the services rendered by our ships, but so far with no success. Mr. Houston desires me to ask you whether you could not have a resolution passed by your Parliament, asking the United States Government to share in the expense of the mail pay for the Australian line, and in that way second the efforts we might be disposed to make in the same quarter if we saw any reasonable prospect of success."

Enclosure 2 in No. 10.

The President, Pacific Mail Steamship Company, to Messrs. Gilchrist, Watt, and Co.

Extract from Confidential Letter received from the President of the Pacific Mail Steamship Company, dated

New York, 20th August, 1881.

"Mr. Houston proposes at the proper time to urge on Congress a proper recognition of the service performed by our ships, and feels satisfied that if his efforts were backed up by an official application on the part of the Governments of New South Wales and New Zealand to the Government of the United States, much good might result therefrom. And Mr. Houston believes firmly that an intelligent comprehension of the whole subject is all that is needed to convert the opinions of our legislators (who have for a long time past been afraid to entertain any application of this nature on account of the ery of subsidy) to a just and favourable view of this important matter."

No. 11.

Mr. Gray to the Superintendent of Foreign Mails, Washington.

I have the honor to acknowledge the receipt of your letter of the 8th August last, conveying the intelligence that your Congress had been pleased to appropriate \$40,000 to be paid in aid of the 8an Francisco mail service in equal amounts to the contracting Colonies of New South Wales and New Zealand, for the year ending the 30th June, 1882, provided that sum does not exceed half of the cost of transit of the colonial mails through the United States. It is a matter for congratulation that the question of this grant-in-aid has now arrived at so satisfactory a state. Of the effect of the action of Congress in these colonies I have already apprised you in former letters.