

The question of renewing the San Francisco mail service is now under the consideration of this Government, and no unnecessary delay will take place in informing your Government of the decision arrived at.

I have, &c.,

S. H. LAMBTON,

Secretary.

The Secretary, General Post Office, Wellington, New Zealand.

No. 16.

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

(Telegram.)

Wellington, 16th November, 1881.

RENEWAL Frisco service. Postmaster-General anxious for reply to my letter eighth October. If representations to be made American Government, letters should be forwarded next mail.

Secretary, Post Office, Sydney.

W. GRAY.

No. 17.

Mr. GRAY to Mr. CREIGHTON.

SIR,—

Post Office and Telegraph Department, Wellington, 3rd December, 1881.

In forwarding you the enclosed copy of a letter of the 14th ultimo from the General Post Office, Sydney, I cannot do better than to send you, without further remark, a copy, subjoined, of that portion of my letter, to which the original is a reply, having direct reference to yourself. A copy of the communication from Washington, referred to by the Sydney Office, was supplied to you with my letter of the 8th October. (For extract see second paragraph of No. 13.)

I have, &c.,

W. GRAY,

Secretary.

R. J. Creighton, Esq., San Francisco.

No. 18.

Mr. CREIGHTON to Mr. GRAY.

SIR,—

San Francisco, California, 19th December, 1881.

I have the honor to enclose copies of letters addressed by me to the United States Postmaster-General and Mr. Blackfan, Superintendent of Foreign Mails, respectively, upon matters connected with New Zealand postal affairs, for the information of the Hon. the Postmaster-General. Pressure of private engagements prevented me attending to these details earlier; but I fancy no time has really been lost, owing to the Cabinet changes now going forward in Washington. Mr. James retires, and the new Postmaster-General has not been appointed. Several of the non-political heads of departments have been changed, and therefore new business would hardly have been attended to. In a few days we shall have the Government completed, and my letter to the Postmaster-General will arrive opportunely. I have, as you will perceive, put the wool duty suggestively in my letter to the Postmaster-General. My reason was that the Republican party is the Protectionist party, and, while it would be perfectly willing to grant a subsidy to stimulate commerce, it would not remit duties to attain the same end. Moreover, the wool-growers held a convention recently, in which the beauties of a protective tariff were extolled; and a National Trades' Convention, composed of manufacturers, bankers, and mechanics, in New York, has just demanded more protection against the pauper labour of Europe. The Republicans, when parties are evenly balanced, will magnify protection, which kept them in power last election, and therefore I did not urge the tariff remission except as an aid to American shipping. Public opinion must be formed before any action looking to free trade in wool can be hoped for from Congress. I am doing my best in that direction in the Press of New York and the magazines. The Administration originates no measures of legislation in this country, therefore the Cabinet will not take the initiative. My suggestion of collecting the transportation charges, as now, and paying them to the contracting colonies, is at once feasible and effective. The amount would be equivalent to a substantial subsidy. It may be done, being in the line of last year's precedent; but Congress must take the initiative. The Postmaster-General will hardly recommend it: the best we may expect is that he will not oppose it. If he should substantially approve, I shall be most agreeably surprised.

I regret that the long and stormy Atlantic passage has again delayed the mail; but this may always be expected at the present season.

The Money-Order Convention with New Zealand, signed by the President recently, is regarded in the United States as the beginning of an active intercourse between the two countries. I hope these anticipations may be realized. Similar conventions have been concluded with New South Wales and Victoria.

I hope the Postmaster-General will approve of the proposition which I have made to the United States Postmaster-General. It appears to me to be the only practical way of reaching a satisfactory arrangement. A direct-subsidy project would be loaded down with a Brazilian, Mexican, China, and half a dozen similar schemes to sell or get into commission all the disengaged steamships in America. Business men in San Francisco are beginning to take greater interest in this matter, but they are slow to move.

I have to apologize for sending you the original drafts of my letters, but I have been too much pressed for time to have them copied.

I have, &c.,

W. Gray, Esq., Secretary, Post Office, Wellington.

ROBT. J. CREIGHTON.