No. 40.

The Hon. Sir J. Vogel to the Agent-General.

SIR,— General Post Office, Wellington, 10th October, 1885. I have pleasure in informing you that the negotiations for renewal of the San Francisco service have been concluded, and have resulted in a contract being entered into by the Union Steamship Company of New Zealand for a three-years' service. The Union Company are acting in conjunction with Mr. W. Pearce, of Messrs. Elder and Company, and with Messrs. J. D. Spreckels Brothers, San Francisco. The service is not a continuous through service, there being a break for

transhipment at Honolulu. Between Sydney, Auckland, and Honolulu, the "Australia" and "Zealandia" will be employed, and between Honolulu and San Francisco the "Alameda" and "Mariposa"—very fine vessels of 3,000 tons, fitted with all modern improvements, and capable of attaining a speed of sixteen knots an hour.

From the contract you will learn the terms and conditions of the service, and also that out of the total subsidy of £30,000, New South Wales is to contribute £10,000. There is also a promise of £4,000 a year from the United States Post Office unless Congress forbids it — an unlikely

contingency.

tion.

I enclose half a dozen copies of the partly-signed contract, and also six copies of the approved time-table. So soon as the contract is completely executed, a number of copies will be sent you.

I have, &c.,

Julius Vogel,

Postmaster-General.

Sir F. D. Bell, K.C.M.G., Agent-General for New Zealand, London.

No. 41.

Mr. Gray to the Managing Director, Union Steamship Company.

General Post Office, Wellington, 12th October, 1885. Sir,— The new contract for the San Francisco service, in triplicate, has been forwarded to the Chief Postmaster, Dunedin, for the purpose of being handed to your company for affixing the seal. Mr. Barr has been instructed to obtain the contracts after being executed by your directors, and to forward them to the Postmaster-General, Sydney, by the "Te Anau." I should therefore be glad if you would at once call a meeting of your directors for the purpose of executing the I have, &c., contract.

The Managing Director, Union Steamship Company of New Zealand (Limited), Dunedin. W. Gray, Secretary.

No. 42.

Mr. Gray to the Secretary, General Post Office, Sydney.

General Post Office, Wellington, 12th October, 1885. Sir,-By the "Hauroto," on Saturday, I forwarded you copies of the new San Francisco contract, as signed by the Postmaster-General of this colony. I now forward you in triplicate the contract, executed by the Union Steamship Company as well, for the purpose of having it signed by the Postmaster-General of New South Wales.

You will observe that the name of the Postmaster-General of your colony has been left blank. This somewhat unusual course had to be followed in consequence of it having been assumed that Mr. Norton had resigned, and his successor had not been efficially announced. You will, no doubt, see fit to communicate by telegraph, should there be any points in the contract requiring elucida-

The Secretary, General Post Office, Sydney.

I have, &c., W. GRAY.

No. 43.

The Union Steamship Company, Dunedin, to the Secretary, General Post Office, Wellington. Union Steamship Company of New Zealand (Limited),

Dunedin, 16th October, 1885. Sir,-

I have the honour to acknowledge the receipt of your favour of the 12th instant, in accordance with which the three copies of the San Francisco mail contract were duly completed and handed to Mr. Barr, and also the fourth copy for your office.

In making up our November time-table I have assumed that the "Zealandia," leaving Fr'isco on 21st November, being the first of the new contract, will not reach Auckland before Saturday, the 12th December; and I have just made the usual arrangements for the Manukau boat to leave with the mail on arrival, as hitherto. The slight extension of time was not provided for when arranging the contract, but it was understood that the first trip would not be made within the reduced time, and that a certain amount of latitude would be allowed. This, I presume, is in accordance with your own ideas?

Would you kindly let me know what arrangements you have made for telegraphing the arrival and departure of the steamers at San Francisco, as by having this information before us it may save I have, &c., T. W. Whitson, duplicating.

(for Managing Director.)

The Secretary, General Post Office, Wellington. 2—F. 3.