

your Government between Sydney, Auckland, and San Francisco. As the new service does not involve any change in the dates of despatch of the outward mails from this country, it does not seem necessary to issue any notice to the public on the subject. It is observed that under the new arrangement the homeward mails will be due in this country every fourth Wednesday, instead of every fourth Friday as hitherto; and this change will be duly notified in the next edition of the "Post Office Guide."

Sir Francis Dillon Bell, K.C.M.G.,
Agent-General for New Zealand.

I have &c.,

A. BUXTON FORMAN,
(For the Secretary.)

No. 69.

The UNION STEAMSHIP COMPANY, Dunedin, to the SECRETARY, General Post Office.

Union Steamship Company of New Zealand (Limited),
Dunedin, 21st December, 1885.

SIR,—

I have the honour to acknowledge receipt of your favours of the 15th and 17th instant, and various telegrams, for which I am obliged.

I note that the New South Wales portion of subsidy is to be collected by this company at Sydney on the completion of each voyage of the mail-steamers. I shall be glad, however, if you will kindly inform me how we are to deal with bonuses. What proportion are we to collect from the New Zealand and New South Wales Governments respectively?

With regard to the statement of "Alameda's" running forwarded by you, as she left San Francisco some fifty-two hours after contract time, I presume, after deducting the thirty-six hours stipulated in the contract which we are to wait for the mails, we are entitled to sixteen hours' demurrage. Is this recoverable from both Governments, and, if so, in what proportion? Any information on these points I shall be very pleased to receive.

Our Sydney manager, writing in reference to the "Mararoa," mentions that a spacious mail-room had been fitted up in the after-'tween-decks of the ship, which should be sufficient for all requirements of the service.

Awaiting the favour of your reply,

I have, &c.,

The Secretary, General Post Office, Wellington.

E. P. HOUGHTON,
(For Managing Director.)

No. 70.

Mr. GRAY to the UNION STEAMSHIP COMPANY, Dunedin.

SIR,—

General Post Office, Wellington, 29th December, 1885.

I beg to acknowledge receipt of your letter of the 21st instant.

In reply thereto, I have to inform you that the premium and penalty account will be adjusted by this office, and the full payments made your company from here.

The time the "Alameda" was actually detained would be subject to the deduction of thirty-six hours stipulated for by the contract; and demurrage amounting to the difference will be paid for at the rate fixed by the contract; and a claim should be rendered accordingly. Claims, therefore, for demurrage and bonus should be made to this office.

The manager for your company in Sydney scarcely, I think, realizes the requirements of this service—at least in so far as mail-accommodation is concerned. The sorting-room on board the "Mararoa," in the position you mention, is not at all suitable; and if the steamer is to be permanently in the service an alteration will have to be made.

The Managing Director,

Union Steamship Company of New Zealand (Limited), Dunedin.

I have, &c.,

W. GRAY,
Secretary.

No. 71.

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

SIR,—

General Post Office, Wellington, 29th December, 1885.

With reference to the renewal of the San Francisco mail service by contract with the Union Steamship Company of New Zealand (Limited), I beg to say that this office proposes to adjust the premium and penalty and demurrage accounts, and to settle with the contractors, as their head office is in New Zealand.

I shall be glad if you will furnish to this office, after arrival of each steamer, notification of the time of arrival at Sydney, in the same way as under the last contract. It is, of course, assumed that your office will pay the company's agents in Sydney the proportion of the subsidy due from your Government, as was the case under the contract with the Pacific Mail Steamship Company.

I have, &c.,

The Secretary, General Post Office, Sydney.

W. GRAY,
Secretary.

No. 72.

The Hon. Mr. TOLE to the AGENT-GENERAL.

SIR,—

General Post Office, Wellington, 19th November, 1885.

I enclose copy of the cablegram sent you on the 7th ultimo.

It is necessary to explain that, in response to the latter part of the telegram, Mr. Pearce, by