

No. 19.

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

SIR,—

7, Westminster Chambers, London, S.W., 9th December, 1887.

I beg to enclose copies of a further correspondence with the Colonial Office and General Post Office, relating to the apportionment of postage on New Zealand correspondence by San Francisco.

When I was writing to you on the 19th October, the Imperial Treasury had not consented to any continuance of the present apportionment beyond the expiry of the Peninsular and Oriental contract in January, 1888; but it is now to be continued, at any rate, until the San Francisco contract expires, in November following. I telegraphed this to you on the 3rd instant. The larger question of what shall be done afterwards is still reserved.

We were helped by the change that has taken place in the attitude of her Majesty's Government with respect to the Vancouver route owing to the constant pressure brought upon them by the Dominion. The Imperial authorities were reluctant to disoblige Canada. In order not to disoblige Canada the Vancouver question had to be kept open. It would be closed if a refusal to continue the present apportionment after January prevented New Zealand from renewing the San Francisco contract; but it might be kept open for a time by continuing the apportionment, at any rate, till November.

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You will understand that on this side the question is not one for which the Treasury and Post Office, as departments, really care. They have settled their differences with the Australian Governments about the apportionment of postage *via* Suez, so that there is a good service now for Australia, and it would suit the Post Office very well for all the New Zealand correspondence to go by direct steamer. It is a political question, always pushed on by Canada, that tends to keep the Vancouver service open; and as this has gained the first step reported in the accompanying correspondence, so it will govern any further arrangement here. The essential point just now is to know what New Zealand means to do about renewing the San Francisco contract, and you will see how great a help it would be to me to know this by cable as soon as possible.

I have, &c.,

The Hon. the Postmaster-General, Wellington.

F. D. BELL.

Enclosure 1 in No. 19.

The SECRETARY, General Post Office, to the AGENT-GENERAL for NEW ZEALAND.

SIR,—

General Post Office, London, 2nd December, 1887.

With reference to your letter of the 18th October last and previous correspondence, I am directed by the Postmaster-General to inform you that he has received the authority of the Lords Commissioners of the Treasury to continue the present arrangements for apportioning the postage on correspondence exchanged between this country and New Zealand *via* San Francisco, and the cost of the service, until the current colonial contract for the Pacific section of the service expires, in November, 1888. The larger question, as to the arrangements which after that date are to take the place of those now in force, is still under the consideration of their Lordships.

I have, &c.,

Sir F. D. Bell, K.C.M.G., C.B.

S. A. BLACKWOOD.

Enclosure 2 in No. 19.

The COLONIAL OFFICE to the AGENT-GENERAL for NEW ZEALAND.

SIR,—

Downing Street, London, 3rd December, 1887.

I am directed by Secretary, Sir Henry Holland, to transmit to you, for your information, a copy of a letter from the Treasury respecting the continuance, after the 31st January, 1888, until the following November, of the existing arrangements for the mail-service *via* San Francisco.

I have, &c.,

The Agent-General for New Zealand.

JOHN BRAMSTON.

Sub-enclosure in Enclosure 2 in No. 19.

The TREASURY to the COLONIAL OFFICE.

SIR,—

Treasury Chambers, 26th November, 1887.

I am directed by the Lords Commissioners of Her Majesty's Treasury to acquaint you, for the information of Secretary, Sir Henry Holland, that my Lords have been in correspondence with the Post Office upon the question whether the existing arrangements for the New Zealand mail-service should be continued after the 31st of January, 1888, the date when the contracts for the conveyance of the Indian and Australian mails expire; and that their Lordships have been pleased to authorise the prolongation of the present arrangements for this service, *via* the San Francisco route, until the termination of the existing colonial contract for the conveyance of the mails, in November, 1888.

I have, &c.,

Sir R. Herbert, K.C.B., Colonial Office.

R. E. WELBY.