No. 21.

The Hon. Major Atkinson to the Agent-General, London.

Sir,— General Post Office, Wellington, 30th December, 1887.

I have the honour to enclose you copy of a resolution, passed by the House of Representatives, authorising the Government to arrange with the present contractors for an extension of the San Francisco mail-service contract for twelve months.

The Government fully intended asking for authority to negotiate for a renewal of the service for a term of years, but the very large amount of other important Parliamentary business, which had been delayed from one cause or another until within a day or two of the prorogation, prevented

this being done.

The contractors, I have reason to believe, will agree to continue the service until November, 1889, and the New South Wales Government will, no doubt, fall in with the proposal. They have already expressed their willingness for a renewal of the present service. In the meantime inquiries will be prosecuted as to the possibilities of the Canadian route. A promise has been made to Parliament to give full consideration to both routes, and to recommend that which would be likely to prove most advantageous to the colony.

It will now be necessary that you should again appeal to the Colonial Office for a further extension, up to November, 1889, of the existing agreement for the free carriage of the mails between London and San Francisco, and a continuance of the postage payments. Your cablegram of the 3rd instant* advised that the agreement had been extended to the date of the termination of the

contract, and I trust the Imperial Government will not object to a further extension.

I have been urged to change the London day of despatch for the San Francisco mails from Wednesday to Saturday, so as to secure the services of the "Etruria" and "Umbria." Within the past month fast mail trains have been put on, timed to run through between New York and San Francisco in five days two hours, which will admit of the steamers leaving San Francisco on Wednesday night or Thursday morning in place of Friday or Saturday. This means a saving of about two days, and it is alleged that a further saving of about three days would be secured by despatching the mails from London on the Saturday. I am aware that this is not regarded as a convenient mail day; but, seeing that so much is now likely to be gained by a Saturday despatch, I am disposed to make the change, provided the mails can be forwarded regularly by such steamers as the "Etruria" and "Umbria." Will you, therefore, be so good as to give the question early consideration, and confer with the London Post Office. If you are satisfied that by changing the despatch to Saturday the mails would invariably be forwarded by the swiftest vessels please cable, and indicate what Saturday would need to be fixed, and the earliest date on which the change could conveniently be made.

I have, &c.,

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

H. A. ATKINSON,
Postmaster-General.

Enclosure in No. 21.

EXTRACT from the Journals of the House of Representatives, Thursday, the 22nd day of December, 1887.

On the motion of the Hon. Major Atkinson, Resolved, That, in view of the contract for the San Francisco mail-service terminating in November next year, and of the impossibility to give the question of renewal full consideration this session, the Government be authorised to arrange with the present contractors for an extension of contract for twelve months, and to submit to the House next session definite proposals for the continuance of the service.

No. 22.

The Agent-General to the Hon. the Postmaster-General, Wellington.

Sir,— 7, Westminster Chambers, London, S.W., 10th February, 1888.

I have to acknowledge the receipt of your two letters of the 30th December relating to the

San Francisco service.

The House of Representatives having authorised a renewal of the existing contract for a further period of twelve months, and this having been practically arranged, I shall do what I can, as you desire, to induce the Imperial Government to continue the present arrangement respecting postage; but I have already ascertained privately that there will be a good deal of difficulty in doing so even for another year, and I am sure there is not the least chance of the arrangement being prolonged beyond that.

With regard to the change of day from Wednesday to Saturday, there are many practical

difficulties, but I will see what can be done.

I have, &c.

The Hon. the Postmaster-General, Wellington.

F. D. Bell.

No. 23.

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

(Telegram.)

London, 5th March, 1888.

Fr'isco. Saturdays settled, beginning next despatch March twenty-four.

To the Premier, New Zealand.