

No. 30.

The Hon. Major ATKINSON to the AGENT-GENERAL, London.

SIR,—

General Post Office, Wellington, 5th November, 1887.

I have the honour to forward you copy of a letter addressed, by to-day's mail, to the Premier of Canada, in respect of the possibilities of a Canadian Pacific mail-service.

From your letter of the 7th September last you indicate that there is little hope of the Imperial Government entertaining the question of the service; and that until the colonies move in the matter the London Post Office will not take any action at all. There is not likely, I think, to be any expression of opinion from the colonies in the meantime. The Government of New South Wales, however, is desirous of continuing the Pacific service, and is willing to entertain the Canadian route if a service can be secured on favourable terms, and provided the through time between London and Sydney is no longer than by the San Francisco line. Failing to obtain this, Sir Henry Parkes will then agree to negotiate for renewal of the existing service.

I should be very much obliged if you will also make inquiries as to the prospects of a Canadian service, and the support or aid the colonies may reasonably expect in the event of their deciding in favour of the Canadian route. The question of renewing the San Francisco service will not be dealt with in the meantime; but it is probable that the House may be asked to authorise the Government to negotiate during the recess.

You will no doubt have ascertained the views of the Imperial Government on the matter of continuing the existing agreement for the conveyance of the colonial mails between San Francisco and the United Kingdom and the division of postages, in connection with the possible renewal of the San Francisco service. In any case you will, I apprehend, have obtained an extension of the agreement until the date of the termination of the existing San Francisco service.

I have, &c.,

H. A. ATKINSON,

Postmaster-General.

The Agent-General for New Zealand, London.

No. 31.

The Hon. the POSTMASTER-GENERAL, Canada, to the Hon. the PREMIER, New Zealand.

SIR,—

Post Office Department, Canada, Ottawa, 29th December, 1887.

I have the honour to inform you that the Right Hon. Sir John Macdonald has placed in my hands a copy of your letter to him, dated the 5th ultimo, in which you ask for certain information respecting the facilities existing for the establishment of a mail-service between New Zealand and England *via* Canada, and has requested me to reply to it in so far as the information at present in possession of the Canadian Government renders it possible to do so.

Your first question is as to the maximum time within which mails could be conveyed between London and New Zealand by the Canadian Pacific route. The time at present occupied *via* San Francisco being (under contract) a maximum of thirty-five days from Auckland to London, and thirty-six days from London to Auckland, while mails have, on certain occasions, as you state, been delivered in London in thirty-three days from Auckland. Upon this point I beg to say that, in the event of a suitable line of steamers being placed on the route to which you refer, the New Zealand mails might, if forwarded thereby, be delivered in London, with certainty, in thirty days, and might sometimes be delivered in twenty-nine days. The estimate for the several sections of the route is as follows: On the Pacific, seventeen days; across the Continent by the Canadian Pacific Railway, six days; across the Atlantic by fast steamers, six days; adding a day for possible delays at ports of call we have a total of thirty days. I should here explain that the service, the establishment of which has been suggested by the Canadian Pacific Railway Company, is one from Vancouver to Sydney, New South Wales, touching at Honolulu, Fiji, and Brisbane, with a branch service between Fiji and Auckland. To make Auckland a port of call on the way to Sydney would, the company considers, unduly prolong the voyage to the terminal point. As appears, however, from the above estimate of time, the mail-service from New Zealand would not in any way suffer under this arrangement.

You ask (questions 2 and 3) what support would be given by this Government to a Canadian Pacific service embracing New Zealand and some port in Australia, say, Sydney; and what probability there is, so far as this Government is aware, of the Imperial Government contributing to or subsidising such a service. In reply I would say that this Government is not in a position to speak as to the intentions of the Imperial Government in the matter to which you refer, but that the Canadian Government would be disposed to give substantial assistance towards the maintenance of such a service as has been described, and to consult with the Governments of the other countries interested as to the amount of subsidy necessary to procure an efficient service, and the proportion which each country should contribute. It may be well to state that the Canadian Pacific Railway Company is now maintaining a steamship service between Vancouver, Yokohama, and Hongkong, and will shortly place it on a better footing by the employment of a very superior class of steamers, and that the service will be subsidised by the Imperial Government to the extent of £45,000 a year, and by this Government to the amount, probably, of £15,000.

With regard to the facilities (question 4) which would be given by the Canadian Pacific Railway authorities for the conveyance of the New Zealand mails, I beg to say that the mails from New Zealand would be treated in all respects as Canadian mails during their passage through Canadian territory, and that this Government would make its own arrangements with the railway so far as the question of compensation to the latter might be concerned. The New Zealand mails sent *via* Canada would, in the absence of any reason to the contrary, be subject to the ordinary territorial transit charges levied upon other mails passing through this country.