

The ports (question 5) on the Atlantic at which the mails would be landed and shipped would be Quebec in summer and Halifax in winter. The voyage to and from Quebec takes a little more time than that to and from Halifax, but, in the case of mails landed or shipped at Quebec, there is a saving of railway travel which compensates for the extra distance by water. It should perhaps be explained, however, that while Quebec is spoken of as the landing- and shipping-port in summer, and while the contracts heretofore made have provided for the landing and embarking of mails there, it has been found advantageous, in point of fact, to land and ship mails from and for the Canadian packets at Rimouski, a small port on the St. Lawrence, 182 miles below Quebec, on the line of the intercolonial railway.

In reply to question 6, I may say that the estimate above given of six days for the Atlantic service, whether from Quebec, Rimouski, or Halifax, is based upon the average speed of the vessels offered for the service in question, in tenders which are now under the consideration of this Government.

Your seventh question, as to the transit time by railway for mails between the Atlantic and Pacific termini of the Canadian Pacific Railway, and the probability of the service being interrupted or delayed during the winter season, is also in part answered above. Six days may be assumed as the time in which the journey across the Continent would be made, and I am informed by the Canadian Pacific Railway Company that it is now completing its works for the protection of the line in winter, so that there need be no fear of interruption of the service or delay to mails during that season.

You ask, finally, whether any steps have been taken by the Canadian Pacific Railway Company towards establishing a mail-service to Australasia. Such a service, as above stated, is in contemplation, though precisely how far the company have advanced in their arrangements I am not in a position to state. You can, however, judge to some extent of the character of the steamers which it is proposed to employ by the time in which the company expects to be able to perform the service. The time to Brisbane from London would be about the same as the time to Auckland, the distance from Fiji to either port being approximately the same.

The question at which you glance in closing, namely, the admission into Canada on favourable terms of Australasian produce, more especially classed wools, is one for the Canadian Parliament, and I cannot at this moment say more than that this Government would be happy to promote, by any means in its power, consistent with the general fiscal arrangements which may commend themselves to the approval of Parliament, a closer commercial intercourse between the Australasian Colonies and Canada.

I have, &c.,

A. W. McLELAN,  
Postmaster-General.

The Hon. H. A. Atkinson, Premier of New Zealand, Wellington.

### No. 32.

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

SIR,—

7, Westminster Chambers, London, S.W., 16th December, 1887.

Since writing to you on the 9th instant, I have received your letter of the 5th November, covering copy of a despatch addressed to the Premier of Canada respecting a postal service by Vancouver, and informing me that for the present nothing final would be done about renewing the San Francisco contract, though power would probably be taken to negotiate during the recess.

The further letters you will have received from me have kept you informed of what has happened on this side in connection with the Vancouver project. \* \* \* \*

I enclose copy of a further letter I sent in to the Post Office on receiving yours. In the meanwhile I beg you to consider how far it would be possible to give me any discretion in negotiating. Sir Saul Samuel leaves England immediately, on leave, to visit New South Wales, and Sir Daniel Cooper will act for him. It would greatly facilitate the work on this side if you and the Premier of New South Wales could enable Sir Charles Tupper, Sir Daniel Cooper, and myself to come to a provisional agreement with the Imperial Treasury and Post Office, subject to the ratification of our respective Governments. The chief difficulty has always been the one I mentioned to the Post Office in the letter I sent you the other day. The Treasury and Post Office do not want to decide about sharing the cost until they know whether a Pacific service is to be continued, while the Governments do not want to decide about continuing the service till they know how the cost is to be shared. All the trouble there was over the apportionment of the Imperial share in the Suez contracts took place because the Agents-General for the three colonies had no real power to settle anything; and the only way to prevent a similar trouble in the case of either San Francisco or Vancouver is for the Governments of New South Wales, New Zealand, and Canada to settle the points on which they will insist, and then enable the High Commissioner and Agents-General to make, within those limits, a practical arrangement, subject to ratification.

I have, &c.,

The Hon. the Postmaster-General, Wellington.

F. D. BELL.

### Enclosure in No. 32.

The AGENT-GENERAL to the SECRETARY, General Post Office, London.

SIR,—

7, Westminster Chambers, London, S.W., 14th December, 1887.

With reference to my letter of the 6th instant, on the subject of the San Francisco service and apportionment of postage, I beg to acquaint you that I received yesterday a despatch informing me that the Governments of New Zealand and New South Wales were still desirous of