

|                             | Number of<br>Sacks. | Average<br>Weight. | Total<br>Weight. |
|-----------------------------|---------------------|--------------------|------------------|
| British mail-matter ... ..  | 5,300               | 48½lb.             | 257,000lb.       |
| United States matter ... .. | 6,600               | 53½lb.             | 352,000lb.       |

It will thus be seen that the mail conveyed to and from the United States and the colonies is annually about 1,300 sacks, weighing 100,000lb. more than the through British mail.

As this mail-service question will be fully and thoroughly discussed during the coming session of the New Zealand Parliament, I shall feel under great obligation to you if you will kindly give me your views on the subject, that I may be enabled to forward them to the Postmaster-General of New Zealand by the next outgoing mail, on the 21st October. Would you be prepared to maintain your present subsidy to the service, or would you be prepared to increase your present payments, and, if so, to what amount? Would you be prepared to recommend Congress to grant any special subsidy for this service, and, if so, to what amount? Would any such payments be an addition to or include all present payments for the carriage of United States mails? For how many years would you be prepared to recommend the continuance of such payments as you may mention?

I may inform you that the New Zealand Government is in favour of a continuance of the San Francisco service; and it is therefore desirable that they should be in a position to know your possible future action, with a view to placing the advantages of its maintenance in the broadest possible light, in order to disarm the growing opposition, and endeavour to strengthen the present cordial relations existing between the United States and the colonies. Trusting to receive an early reply in time to forward from here on the 21st October,

I have, &c.,

CHARLES R. BUCKLAND,

Resident Agent of the New Zealand Government.

The Hon. W. F. Vilas, Postmaster-General, Washington, D.C.

### Enclosure 2 in No. 42.

The Hon. the POSTMASTER-GENERAL, Washington, to Mr. BUCKLAND, San Francisco.

SIR,—

Office of the Postmaster-General, Washington, D.C., 26th October, 1887.

Replying to your communication of the 26th ultimo, acknowledgment of the receipt of which was made to you during my absence, I must first state that the limits of compensation for foreign mail-service are fixed by Congress at sea-postage, if carried on foreign vessels; but, if carried upon American vessels, the sea and inland postage together may be allowed for transportation. This is the extent of the authority of this department to make payments, or to make contracts for payments, for foreign mail transportation. Another limitation is that contracts can be made only for two years' duration. The department would not be willing to recommend to Congress the payment of any special subsidy beyond the amounts permitted to be paid by the statutes referred to. Acting within the authority of law, the department is prepared to go to the limit of it, if necessary, to encourage and assist mail transportation with the British colonies in Australia.

The present annual payment can be maintained if American companies carry the mails, and probably increased \$10,000, making \$30,000 annually. If the New Zealand Government desires to make its contract for a longer period than two years it can embrace this department within the full period of time for which the contract shall be made, subject only to the refusal of Congress to make the appropriations—a contingency so remote as to be fairly disregarded as a risk. But any such contract must provide for the United States the full extent and measure of use of the vessels employed, and give to the United States as full a right to demand the service of such vessels for the despatch of her mails as the Government of New Zealand or any of the colonies shall possess by the contract, and the same rights to impose fines or deductions for failure or refusal to comply with any duty under the contract. This should be explicitly stipulated in the contract.

This department is very sensible indeed of the advantages of direct mail communication with the Australian Colonies, whose people are assimilated to our own as the pioneers and settlers of a new country, and is desirous of contributing in every fair way its full and proper share, subject to the principles of public administration which govern it, of the cost of the maintenance of such service, and to mark to the people of the colonies its desire for intimate and cordial relations. I trust the proposed increase in annual compensation beyond the amount of the present contract, which was named by the Postmaster-General of New Zealand in the first instance and not by the United States, will be accepted as manifesting this disposition.

Very respectfully, &c.,

WM. F. VILAS,

Postmaster-General.

C. R. Buckland, Esq., San Francisco, California.

### No. 43.

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

SIR,—

General Post Office, Wellington, 14th December, 1887.

I am directed by the Postmaster-General to forward, for the information of your department, copies of correspondence: (1) Mr. Buckland's letter of the 14th November, 1887, covering copy of cable-message of the 9th idem; (2) Mr. Buckland's letter of the 26th September, 1887, to the Hon. Mr. Vilas, Postmaster-General of the United States; (3) Mr. Buckland's letter of the 16th November, 1887, covering; and (4) copy of Mr. Vilas' reply of the 26th October relating to the San Francisco mail-service. The Postmaster-General is in communication with the contractors as to the advisableness of making further changes in the time-table in the direction suggested by Mr.