

From Press-telegrams it appears that the Canadian Parliament has authorised the Government to arrange for a fortnightly mail-service from Vancouver to Australia and New Zealand, and agrees to subsidise the service to the extent of £25,000 yearly. Sir John Macdonald is also reported to be about to visit London to discuss with the Imperial Government the question of a Canadian-Australian service.

I have, &c.,

H. A. ATKINSON,

Postmaster-General.

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

No. 26.

The Hon. E. MITCHELSON to the AGENT-GENERAL for NEW ZEALAND, London.

SIR,—

General Post Office, Wellington, 15th June, 1889.

I have the honour to enclose copy of the only offer received for the continuance of the New Zealand-Plymouth Direct-mail Steam-service. The offer does not comply with the advertised conditions, but it will be submitted to Parliament.

To afford time for the further consideration of the general question of Pacific mail-services, the Government of New South Wales, on its own responsibility, has just concluded an arrangement with the Union Steamship Company for a twelve months' extension, up to November, 1890, of the present San Francisco service. The exact terms and conditions of the renewal have not as yet been made public; but it is understood that provision has been made for this colony becoming a party to the contract.

Mr. Creighton has not been successful in securing the approval of New South Wales and Victoria to his proposals for a fortnightly San Francisco service. He returns to San Francisco by the outgoing mail-steamer.

I have, &c.,

EDWIN MITCHELSON (For Postmaster-General).

The Agent-General for New Zealand, London.

No. 27.

Mr. R. J. CREIGHTON to the SECRETARY, General Post Office, Wellington.

SIR,—

San Francisco, 25th August, 1888.

I have the honour to inform you that the United States Postmaster-General has recognised the necessity for making a more liberal provision for sustaining the direct mail-service between San Francisco and the Australian Colonies.

The matter was brought to his attention in a very pointed way by the Hon. Mr. Felton, a Congressman from this city, who presented the necessity for immediate action if the service was to continue after November next. The Postmaster-General recognised the importance of the service to American trade, and said he was prepared to pay over the full postages allowed by law, amounting to about \$47,000.

This information was given out to the Press, and published with approving comments all over the country; and, having also seen Mr. Felton's telegrams to the Oceanic Company embodying the Postmaster-General's assurance that he would at once communicate his offer to the Governments of New South Wales and New Zealand, I felt justified in forwarding the following cable to the Hon. the Postmaster-General at Wellington, in the hope that it would arrive before a vote was taken on the proposal to continue the service: "Washington offers over forty thousand. Recommend temporary acceptance." Meanwhile I despatched the following to Washington for the purpose of ascertaining precisely what official action had been taken: "20th August, 1888.—Hon. Postmaster-General, Washington, D.C.—Would you kindly inform what message sent New Zealand regarding mail-service, and when payments begin?—ROBERT J. CREIGHTON, New Zealand Agent." I was induced to send this message because in one of Mr. Felton's despatches the phrase occurs, "Payments to be begun when contract is made." It was important, I thought, to fix the date of commencement, so that no misunderstanding might hereafter arise. I have had no reply to this telegram.

Matters remained in this shape for a few days, when a despatch was received from New Zealand stating that the "proposal to continue the service had been rejected." I interpreted this to mean that the proposal for a five years' service had been rejected, but that the proposal to extend the present contract for another year had not been submitted to Parliament, and therefore that the United States proposal should be made to apply to this extension—that is, that payments as advised from Washington should begin November, 1888.

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I have, &c.,

ROBERT J. CREIGHTON.

Wm. Gray, Esq., Secretary, Posts and Telegraphs, Wellington.

No. 28.

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

SIR,—

General Post Office, Wellington, 5th October, 1888.

I have the honour, by direction of the Postmaster-General, to forward you the accompanying copy of a letter received by the last mail from our Resident Agent at San Francisco.