No. 49.

Mr. Gray to the President, Oceanic Steamship Company, San Francisco.

General Post Office, Wellington, 29th December, 1888. SIR,-I have the honour to acknowledge receipt of your letter of the 15th ultimo, containing proposals for the division between your company, New South Wales, and this colony of the \$46,000 subsidy promised by the United States towards the San Francisco mail-service. I am to thank you for the arrangement you propose, which has been accepted.

I have, &c., W. Gray, Secretary.

John D. Spreckels, Esq., President, Oceanic Steamship Company, San Francisco.

No. 50.

Mr. J. D. Spreckels to the Secretary, General Post Office, Wellington.

San Francisco, 15th November, 1888. Sir,-I have the honour to inform you that during the present year's extension of our contract with your Government the United States Postal Department has promised to pay the sum of \$46,000, this being the amount of postages earned by our steamers. It is not our intention to claim the whole of this amount, to which we believe that we are justly entitled, but we have decided to retain the sum of \$20,000 as our share of the postages for the current year's services, leaving the balance of \$26,000 to be equally divided between the Governments of New Zealand, New South Wales, and the Oceanic Steamship Company, in accordance with the spirit conveyed in section 10 of the contract. Trusting that this arrangement will be acceptable,

I have, &c.,

JOHN D. SPRECKELS, President, Oceanic Steamship Company.

W. Gray, Esq., Secretary, the Post and Telegraph Department, Wellington.

No. 51.

Mr. J. D. Spreckels to the Secretary, General Post Office, Wellington.

San Francisco, 17th November, 1888. Sir,-I shall be glad if you will give me the views of the Hon. the Postmaster-General and yourself as to the establishment of a regular fortnightly mail-service from San Francisco to New

Zealand and Australia.

Wellington might be made the port of call in New Zealand, thereby removing some of the objections raised by your people in the Southern Island, and placing them on an equality with the Auckland people as to the time of delivery of their mails. Auckland would, I fancy, prefer to see such a route adopted rather than that the service be entirely discontinued. Or the steamers might call alternately at Auckland and Wellington.

For a fortnightly service we would need five steamers, and I should therefore ask for a further contract of eight years. If New South Wales will decline to enter into such a contract, may it not

be possible to secure the co-operation of Victoria.

I should like to know what annual amount Sir Harry Atkinson would be prepared to advise Parliament to vote for a fortnightly service, also what changes, if any, he would suggest in the form of the existing contract. I presume that dockage is obtainable in Wellington and Melbourne.

I shall be glad to obtain information upon these points, and any others that may occur to you. The action of Congress towards this service in the future must be shortly determined, and an early reply is essential in order to enable me to formulate my plans before your next session of Parliament, in March, 1889. This cannot be done until hearing from you.

I would suggest that this and subsequent correspondence on the same subject be regarded as of a private nature for the present. I am, &c.,

W. Gray, Esq., Wellington, New Zealand.

John D. Spreckels.

No. 52.

Mr. Gray to Mr. J. D. Spreckels, San Francisco.

General Post Office, Wellington, 29th December, 1888. I have the honour to acknowledge receipt of your letter of the 17th ultimo, asking the Sir,views of the Postmaster-General and myself as to the establishment of a fortnightly mail-service between San Francisco, New Zealand, and Australia. As Parliament, by its decision on the mail-service question, has practically tied the hands of the Government, the Postmaster-General regrets he could not with propriety express an opinion on the points raised in your letter. Sir Harry Atkinson, however, will be pleased to receive and consider any definite proposal you may feel disposed to make. Any proposal would, of course, be submitted to Parliament. I have, &c.,

John D. Spreckels, Esq., 327, Market Street, San Francisco.

W. Gray, Secretary.