

No. 53.

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

SIR,— 7, Westminster Chambers, London, S.W., 16th November, 1888.

I have to acknowledge receipt of your letter of the 6th October respecting the increased contribution of \$50,000 a year which the United States Post Office is now willing to make towards the mail-service *via* San Francisco.

Since my last letters, of the 6th and 18th October, on the subject of a Pacific service, I have continued to be in frequent private communication with the Imperial authorities. The High Commissioner of Canada and Agent-General for New South Wales had a long conference with me a few days ago upon my proposal that we should seek a formal interview with the Secretary of State for the Colonies and the Postmaster-General; but Sir C. Tupper and Sir Saul Samuel were of opinion that we had better postpone that step a little. The Dominion Government has invited the Governments of Australasia to a conference at Ottawa on the question of the proposed cable to Vancouver, and the postal steam-service would of course be taken into consideration too if the invitation were accepted; and Sir Charles Tupper thought it would be expedient to wait, before having any formal interviews, till we should know what answer is sent to the Dominion Ministry.

It was agreed, however, between us, that I should continue the informal communications that had already taken place, in order to learn more nearly the views of the Imperial authorities; and I am to see Lord Knutsford in a few days accordingly. So far, however, as I have yet been able to form an opinion, there does not appear to be much chance of the Imperial Treasury consenting to a contribution towards the subsidy necessary for establishing a line of fast steamers between Vancouver, New Zealand, and Australia: the "favourable" view taken by Her Majesty's Government of a Vancouver service has not reached the point of finding the money to give it effect. The new attitude, however, taken up by the United States may influence the Imperial Treasury, bringing, as it does, more clearly forward the question whether, assuming there to be any Pacific service at all, it is to be a permanently British or a permanently American one.

I have, &c.

The Hon. the Postmaster-General, Wellington.

F. D. BELL.

No. 54.

The Hon. T. FERGUS to the AGENT-GENERAL, London.

SIR,— General Post Office, Wellington, 6th February, 1889.

I have the honour to acknowledge the receipt of your letter of the 16th November last on the subject of the Pacific mail-service. I note that the High Commissioner for Canada and the Agent-General for New South Wales counsel delay in seeking an interview with the Secretary of State for the Colonies, for the purpose of definitely ascertaining the views of the Imperial Government on the question. I regret to learn that your inquiries lead you to conclude that for the present the Imperial Treasury is not likely to contribute towards the cost of a line of fast steamers between Vancouver and Australasia.

I have, &c.,

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

T. FERGUS,
(For Postmaster-General.)

No. 55.

Mr. BELL to the Hon. the POSTMASTER-GENERAL, Wellington.

Post Office Department, Office of Foreign Mails, Washington, D.C.,
7th December, 1888.

SIR,—

I have the honour to acknowledge the receipt of your communication of the 3rd ultimo, in reply to the Postmaster-General's letter of the 3rd September last, with reference to previous correspondence respecting the amount to be paid annually by this department for the conveyance from San Francisco, by American steamers, under contract with New Zealand, of the United States mails for Australasian destinations.

In reply, I enclose herewith a copy of the Postmaster-General's order, dated the 20th September, 1888, authorising the payment of \$50,000 annually to the Oceanic Steamship Company as full compensation for the conveyance of the mails in question, in the manner and subject to the conditions therein prescribed; the annual periods referred to in said order to commence with the sailing of the Oceanic Steamship Company's vessel scheduled to leave San Francisco for Auckland and Sydney on or about the 17th ultimo, and the payments to be made quarterly direct to the agents of said company in this country.

The Postmaster-General does not fully comprehend the following sentence in your letter under reply: viz., "It is understood that your department proceeds at once to make payment at the rate of \$46,000 a year towards the cost of the San Francisco service up to November, 1889."

I am, &c.,

NICHOLAS M. BELL,
Superintendent, Foreign Mails.

The Postmaster-General, Wellington, New Zealand.