F.—4.

No. 77.

Mr. D. MILLS to the SECRETARY, General Post Office, Wellington.

Union Steamship Company of New Zealand (Limited),

SIR,— Dunedin, 11th April, 1889. I have the honour to acknowledge receipt of your favour of the 4th instant, and thank you for forwarding the copy of the reply of the Superintendent of Foreign Mails, Washington, to your letter to him of the 1st December last, on the subject of the amount due to the contractors for the carriage of United States mail-matter by the San Francisco mail-steamers. Mr. Bell's letter appears to indicate that the contractors are entitled to the full payment of \$20,000 per annum; but I note that you have submitted the matter to the Postmaster-General at Sydney for the decision of his Government.

W. Gray, Esq.,, Secretary, General Post Office, Wellington.

I have, &c.,
D. Mills, (For the Managing Director).

No. 78.

Mr. Gray to the Managing Director, Union Steamship Company, Dunedin.

General Post Office, Wellington, 17th April, 1889. SIR,-I have the honour to acknowledge the receipt of your letter of the 11th instant replying to mine of the 4th idem, and expressing that "Mr. Bell's letter (of the 13th February last) appears to indicate that the contractors are entitled to the full payment of \$20,000 per annum," &c. In reply, I beg to say that this office does not agree that Mr. Bell's letter indicates that the contractors are entitled to the whole of the \$20,000. On the contrary, the letter would seem to prove that the colonies were entitled to participate in the \$4,000 as excess over the sum required for actual mail-payments by the United States.

The Managing Director I have, &c.,
W. Gray, Secretary.

The Managing Director, Union Steamship Company of New Zealand (Limited), Dunedin.

No. 79.

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

Wellington, 31st May, 1889. Str.— I have the honour to request that you would submit the following proposal, on behalf of the Oceanic Steamship Company, of California, to the Hon. the Postmaster-General for his action thereon :-

1. The Oceanic Steamship Company, of California, is prepared and hereby offers to contract with the Government of New Zealand to perform a fortnightly mail service, with good and sufficient steam-vessels, to the satisfaction of the Postmaster-General, between Sydney, New Zealand, and San Francisco, and between San Francisco, New Zealand and Sydney, calling upon each trip of said steamships at such way-ports as may be agreed upon, for an annual subsidy of £80,000.

2. It shall be a provision of said contract that one-half of the annual subsidy of £80,000 shall be paid by the contracting colony and one-half by the Government of the United States of

America. 3. Should the United States Government not agree to pay said annual subsidy of £40,000, being a moiety of £80,000, the contract for a fortnightly postal steamship service between New Zealand and San Francisco, or between Sydney, New Zealand, and San Francisco, to be entered into by the New Zealand Government with the Oceanic Steamship Company, of California, upon the basis of a joint equal payment by the Government of New Zealand and the Government of the United States, may be declared null and void at the option of either party to the contract.

4. It is hereby proposed that a provisional contract or agreement for a fortnightly steam postal service to and from San Francisco upon the foregoing basis be entered into with the Oceanic Steamship Company, of California, by the Postmaster-General of New Zealand for submission to the United States Government.

5. That such contract shall be for a period of ten years.

6. That, in consideration of such provisional contract or agreement, and until the same shall have been ratified or rejected by the United States Government, and until a fortnightly line can be established, the Oceanic Steamship Company, of California, will agree to continue the present fourweekly mail-service to San Francisco upon payment thereto of the stipulated subsidy in said fourweekly contract, or upon such other terms as may be mutually agreed upon.

I have, &c., ROBERT J. CREIGHTON, (Representing the Oceanic Steamship Company, of California). W. Gray, Esq., Secretary, Posts and Telegraphs, Wellington.

No. 80.

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

Wellington, 8th June, 1889. SIR.-Referring to my letter of the 31st May, embodying a proposal on behalf of the Oceanic Steamship Company, of California, to contract for a fortnightly steam postal service with England, via San Francisco, I have the honour to submit the following points in support of that proposal:—