

No. 6.

The AGENT-GENERAL to the Hon. the PREMIER.

(Telegram.)

London, 19th August, 1890.

OCEAN SERVICE.—Message received. Imperial Parliament prorogued. Raikes abroad. Ministers and heads department dispersed. I do not believe slightest chance any reply before you prorogue.

No. 7.

The AGENT-GENERAL to the Hon. the PREMIER.

(Telegram.)

London, 29th August, 1890.

OCEAN SERVICE.—Imperial Treasury makes following order if Frisco continued. Firstly, London and New Zealand each retain postages. Secondly, London carry outward mails to Frisco, and in addition credit colony with sea rate of twelve shillings per pound upon outward letters, towards cost ocean service. Thirdly, London defray cost of transit of homeward mails at Postal Union sea rates, colony to pay land transit between Frisco and New York. Fourthly, Newspaper books postage not shared, each country retaining postages and paying cost foreign transit.

No. 8.

The Hon. E. MITCHELSON to Mr. R. J. CREIGHTON, San Francisco.

(Telegram.)

Wellington, 31st August, 1890.

URGENT. Will American Government guarantee free transit homeward mails Frisco to New York, should we renew service?

No. 9.

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

SIR,—

Westminster Chambers, 13, Victoria Street, London, S.W., 4th July, 1890.

In continuation of my letter of 27th June, on the mail-service, I now beg leave to report what passed at my interview with Mr. Raikes. Sir A. Blackwood and Mr. Buxton Forman were present.

It was immediately evident that the old difficulties continued to stand in the way of your obtaining an early or definite answer to the questions contained in your telegram of the 21st June. Though I have frequently referred to these in previous letters, it may be well to mention them again here.

In the first place, so long as the question of route remains unsettled, there is the same trouble as to what the Imperial Government will do. They will not say what the permanent Imperial contribution would be to a Pacific mail-service until our Parliament has made up its mind whether to have a mail-service that way at all. It is the difficulty of who is to speak first. Our Parliament hesitates to make up its mind without knowing beforehand how much the Imperial Government would contribute, while the Imperial Treasury is unwilling to name a contribution without knowing that a permanent service is to be established. And now, as the withdrawal of New South Wales makes it more than ever a necessity of the case that any San Francisco contract should be one by New Zealand alone, the Treasury is less disposed than ever to move until the colony decides whether such a contract is to be made. The existing apportionment of postage has only been kept on by successive temporary makeshifts, each one being more difficult to arrange; and long ago I warned you that there was no chance of the same apportionment being permanently continued. On the other hand, though I have repeatedly asked what other plan of apportionment would be required for a new service, the Treasury will not say what in their opinion it ought to be.

In the second place, there is always the same difficulty owing to the time of year when the question is renewed. As soon as our Parliament meets it is confronted with the same trouble—that the San Francisco contract is expiring, and an answer to the same question is as urgently wanted as before. But at the very time when the New Zealand session is fresh the English session is moribund, and when the House of Representatives is just beginning its work the House of Commons is only thinking of whether it can get its own work done at all; while Her Majesty's Ministers are so harassed that they cannot entertain any new questions.

For both these reasons, then, I cannot lead you to hope for an early answer to your inquiries, nor, indeed, would it be at all expedient to press for one, as the natural tendency of all harassed Governments, when obliged to give some answer, is to give one in the negative. But you are sure of help from the London office for an equitable arrangement with the Treasury if once it is settled that the San Francisco service is to be continued, while if it is to be given up the question of Imperial contribution will become much easier. In all the representations I have made to the London office, as now again officially to Mr. Raikes, I have steadily insisted on the principle that the Imperial authorities must either make provision themselves for the English portion of the correspondence or come to a fair arrangement with you to do it for them; and, although this obligation is not explicitly acknowledged, it is one that cannot be denied, and it will be quietly recognised as the basis of negotiation. Of course the financial conditions are essentially changed by Mr. Goschen's proposals for the reduction of postage; but this rather tells in your favour than otherwise, and the natural desire of the Imperial authorities for New Zealand to come in with Australia will help towards a fair and liberal treatment. My impression, from what passed at the interview with Mr. Raikes, is that he would wish to leave the choice of route to you, and would also want you to make the contract, but that he would favour a plan for the cost to be fairly divided between London and the colony on something like the basis of the Peninsula and Oriental and Orient contract. Of