

No. 4.

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

SIR,—

13, Victoria Street, London, S.W., 24th July, 1891.

I received, on the day the last mail left, the Hon. the Postmaster-General's letter of the 28th May (*vide* No. 63, F.—4, 1891), stating that the Government had determined to ask Parliament to authorise a renewal of both the Direct and San Francisco services for three years, on the same terms as at present, and directing me to ascertain whether this would be acceptable to the Imperial authorities.

The Hon. the Minister expresses the opinion that, if the proposal is agreed to by Parliament and accepted by the contractors, there ought to be little difficulty in negotiating with the Imperial authorities for a three years' extension of the present arrangements; but I cannot learn that opinion without grievous disappointment, showing as it does that my constantly-repeated warnings have been in vain. I am bound to assure you that any impression of the kind is dangerously mistaken, and, so far from the negotiation you desire me to initiate being the easy and simple one which the Government think, I cannot at present encourage you to think it will succeed. On the contrary, the indications derived as yet from frequent private communications with the Imperial departments all tend to show that there is very little prospect of the existing arrangements being continued for three years.

The London office still insists on its demand to date back the San Francisco apportionment to 1889, and a warning is given that a continued refusal of that demand "may induce the Lords of the Treasury to consider whether they have any interest in further supporting a Direct New Zealand service in opposition to their own Imperial mail-service *via* Suez." The tendency, in fact, which has always existed here, quite naturally and for obvious financial reasons, in favour of sending the London correspondence by the P. and O. and Orient lines, has become more marked than ever. Nor must it be forgotten that for the Imperial Government to join in a three years' renewal of the San Francisco service is for them to do something essentially adverse to a Vancouver line, and therefore sure to be resented by Canada.

Difficult and perplexing, therefore, as the position was last year, it is much worse now. There was one thing, at any rate, last year, to help in getting the very favourable terms that were conceded to the colony—namely, the strong desire of the Imperial authorities to receive the assent of New Zealand as well as Australia to Mr. Goschen's 2½d. rate; but that leverage no longer exists, nor is there anything to take its place. And, most of all, we are again in face of the ever-recurring trouble that the Imperial session is in its last hours, that the Treasury neither can nor will look at anything but getting their remaining votes, and that, immediately the House is up, Ministers and heads of departments will all disperse for the holidays. There is really not the slightest chance of the departments here saying anything at the present moment which could help you in the House of Representatives, but, on the contrary, there is good reason to think it would simply be courting certain failure to press them for an official answer now to a question which is still at so purely hypothetical a stage. The utmost that can be safely done is to go on with such private communications as may seem to afford a chance of ultimately getting a decision not entirely unfavourable to your proposals.

I have, &c.,

The Hon. the Premier, Wellington.

F. D. BELL.

No. 5.

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

SIR,—

Office of the Postmaster-General, Washington, D.C., 14th July, 1891.

I have the honour to inform you that, under a recent Act of Congress to provide ocean mail-service between the United States and foreign ports, limiting compensation to outward voyages, I am endeavouring to arrange for fast fortnightly service, on ten years' contracts, between San Francisco and Australia *via* New Zealand, calling alternately at Wellington and Auckland.

I respectfully transmit this information that you may co-operate, if you see proper, in securing quicker communication and regulating return voyages in the interest of your country.

I have, &c.,

J. WANAMAKER, Postmaster-General.

The Hon. the Postmaster-General, Wellington, New Zealand.

No. 6.

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

(Telegram.)

London, 5th September, 1891.

MAIL-SERVICES.—Necessary you should cable figures showing how apportionment made last year works out for both Frisco and Direct services, as between colony and Imperial Treasury, and how it would work out for next three years if now renewed, with reference to respective cost borne by this country and colony.

No. 7.

The Hon. J. G. WARD to the Hon. the POSTMASTER-GENERAL, Washington.

SIR,—

General Post Office, Wellington, 8th September, 1891.

I have the honour to acknowledge the receipt of your letter of the 14th July, notifying that, under a recent Act of Congress to provide ocean mail-service between the United States and