

I assume that nothing will result from the invitation for tenders for a fortnightly service.

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

R. J. Creighton, Esq.,
Resident Agent for New Zealand, San Francisco, California.

No. 72.

The SUPERINTENDENT of FOREIGN MAILS, Washington, to the Hon. the POSTMASTER-GENERAL, Wellington.

SIR,— Office of Foreign Mails, Washington, D.C., 2nd December, 1891.

I have the honour, by direction of the Postmaster-General, to acknowledge the receipt of your letter of the 5th ultimo, with reference to previous correspondence relative to a reduction of the rates charged by this department for the transcontinental conveyance of the closed mails passing between Great Britain and the Australasian Colonies.

Since your communication under reply was written, you have no doubt received this department's letters of the 17th September and the 11th November last respectively, which set forth fully the reasons why the rates in question cannot be reduced at this time, and show that the failure to comply with your suggestion does not arise from an indisposition on the part of the Postmaster-General.

I have, &c.,
N. M. BROOKS,
Superintendent of Foreign Mails.

The Postmaster-General, &c., Wellington.

No. 73.

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

SIR,— San Francisco, 9th December, 1891.

I have the honour to acknowledge receipt of your letter of the 3rd November, covering correspondence, &c., in reference to the American transit charges on the closed British-Australian mail; also yours of the 5th November.

In compliance with your request, I have written to the Superintendent of Foreign Mails (copy of letter herewith enclosed). I also wrote to Senator Felton, enclosing copy of my letter to Mr. Brooks, to put him in possession of the facts, and requesting him to urge upon the Postmaster-General compliance with my request for a reduction to the Postal Union rates. Mr. Spreckels has written to the same effect to Senator Felton; but whether this will have any beneficial influence I am unable to say.

The service appears to be in a very unsatisfactory position, more so, in fact, than I have ever before seen it, and I cannot see any way out of the difficulty. Mr. Wanamaker cannot contract for the American mail with any but American ships, nor for less than five nor more than ten; and, despatching the mail as he does now, without a contract, he is only authorised by law to pay the sea and inland postages to American ships, and the sea postages to foreign ships. The adoption of the 5-cents postage will therefore reduce the earnings of the steamships by 7 cents per ½ oz. letter-mail, or considerably more than half the payments for 1891. Whether the steamship companies will continue to run their ships for that pittance, in the face of the temporary arrangement by the New Zealand Government, as a result of Imperial opposition to the American route, is a point upon which I can express no opinion; but it is quite evident, if you insist upon a mixed service, that no better terms can be hoped for from the United States Post Office, and it is equally clear to me that an efficient service cannot be maintained upon that basis.

I have forwarded draft for \$40 to the Hamburg American line as directed. I shall transmit correspondence when I receive reply from New York.

Mr. Spreckels arranged with the New York Central Railroad to run a special train with the Australian mail should the "Umbria's" mail fail to connect with the fast west-bound train leaving New York at 9 p.m. on Saturday. It was hoped to overhaul the regular train at Albany, but, unfortunately, the "Umbria" did not arrive until Sunday morning, and his enterprise was useless. The "Mariposa" cannot sail before Friday, in consequence of the delay on the Atlantic passage. I enclose telegraphic correspondence I had with the Post Office Department on the subject.

Congress is now in session; but I do not look for any change in the policy of our shipping-laws.

I have, &c.,
ROBT. J. CREIGHTON.

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

Enclosure 1 in No. 73.

Mr. CREIGHTON to the SUPERINTENDENT of FOREIGN MAILS, Washington.

SIR,— 327, Market Street, San Francisco, 2nd December, 1891.

I have the honour to inform you that I have been instructed by the Postmaster-General of New Zealand to reopen the question of railroad transit charges on the closed British-Australian mail; and at the same time he intimated that you had been communicated with direct.

The grounds upon which the Hon. the Postmaster-General decided that the request of New Zealand for a reduction in the railroad transit charges would not be complied with were threefold—(1) That the Australian representatives at the Postal Union Congress at Vienna made the retention of transit charges as then existing a condition of entering the Union; (2) that the amount charged does not exceed the payment to the railroad for the carriage of the closed mail; (3) that, however willing the Postmaster-General might be to agree to the request of New Zealand, he had no power to do so without authority from Congress, which it failed to confer upon him.