F.—2.

ment for the United States territorial transit of the British Australasian closed mails. In other words, that the charges for this service are absolutely uniform, and have been since the adoption of the present rates. I am, &c.,

N. M. Brooks, Robert J. Creighton, Esq., Superin Agent of the New Zealand Government, No. 327 Market Street, Superintendent of Foreign Mails. San Francisco, California.

Enclosure 2 in No. 82.

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

SIR,--327, Market Street, San Francisco, 5th January, 1892. I have the honour to acknowledge receipt of your letter of 30th December, 1891, in reference to the transit charges upon the closed British-Australian mail, which I shall forward to the Postmaster-General of New Zealand for his information.

I regret that the question should remain in its present unsatisfactory position, owing to the unfriendly attitude of the London Post Office to the California mail route.

I shall again suggest to the New Zealand Postal authorities the advisability of requesting the other members of the Postal Union to reconsider the resolution regarding transit charges, with a view to the necessary amendment, inasmuch as there is no certainty of favourable action by I remain, &c.,

Hon. N. M. Brooks, Superintendent of Foreign Mails, Washington, D.C.

ROBT. J. CREIGHTON, Agent, New Zealand Government.

No. 83.

The Hon. the Premier to the Agent-General.

SIR,-Premier's Office, Wellington, 28th January, 1892. The receipt of your telegram of the 22nd instant, announcing that the Imperial Post Office had agreed to the counter-proposals relating to the ocean mail-services made in mine of the 7th, set at rest all fears that that office might be disposed to insist on carrying out the policy it had already determined upon. What has now been mutually arranged is believed to be, under the exceptional circumstances, the best for the interests of the colony, as well as for the Mothercountry.

The action of the Imperial Post Office authorities in coming to the decision they did, and the manner in which this was arrived at, is difficult to understand, as the colony had every right to

expect that it would in some way have been consulted beforehand.

Mr. Kennaway's cable of the 28th November, conveying the determination of the Imperial Post Office to abolish the system of special superscription, came as a complete surprise, inasmuch as this had been decided upon without knowing whether there was to be a special intercolonial service connecting with the Federal packets, without which there could be no regularity or reliability in the delivery of the mails. Not only this, but the Imperial authorities altogether failed to reply to the inquiries as to their intentions with respect to a connecting service. Negotiations for such a service were then in progress, and the absence of any reply from the Imperial Post Office was embarrassing. The negotiations were not brought to a close until the 4th instant, when the Union Company finally replied that the connection required by the Post Office would completely upset their present running, which they could not afford to do except for such a payment as the Government probably would not be prepared to give. Under the circumstances, the Postmaster-General decided to give up all idea of a special service, and to continue to forward the Federal mails between the colony and Australia by the ordinary steamers. This was scarcely settled when Mr. Kennaway's despatch of the 27th November (vide No. 158), giving in detail the intentions of the Imperial Post Office, was received. It then became necessary to at once cable our objections, and at the same time indicate what was desired by the colony. This was done on the 7th instant. Mr. Kennaway might well express surprise that the Imperial Post Office should have arrived at any decision in the matter without consulting the colony. The determination to send three weeks' collections by the Federal route, except the Auckland portion of the third week's, would have resulted in serious inconvenience to business people in the colony if persisted in. This will be apparent when it is remembered that the transit-time by the San Franscisco service is thirtyfour days to Auckland, and that the Dunedin portion of the mails is delivered on the third day after The conthe steamer's arrival in Auckland—a through transit from London of thirty-seven days. tract time to Melbourne by the Federal service is thirty-six days, and delivery at the Bluff by ordinary steamer would be about forty-four days, and at Dunedin about forty-five days. The correspondence by the San Francisco mail would be delivered at Auckland three days before the previous week's London mail via Italy reached the Bluff. It is obvious, therefore, that only the collections during the first and second weeks immediately succeeding the departure of the mails by San Francisco should be sent via Italy, unless specially addressed to go by that route.

The want of a fast intercolonial service undoubtedly minimises the value of the route via Suez and Italy; but this cannot be obviated at present. The colony must make the best of the position in the meantime, and when the time arrives for renewing the San Francisco service it may be

possible to improve the connection.

The Post Office continues to use the Shaw-Savill-Albion Company's Homeward steamers; and the "Arawa" last month, and the "Coptic" on the 9th instant, conveyed large mails. Cable ad-