

## No. 98.

Mr. GRAY to Mr. CREIGHTON, Resident Agent for New Zealand, San Francisco.

SIR,—

General Post Office, Wellington, 18th May, 1892.

I have the honour to acknowledge the receipt of your letter of the 31st March on the transfer of the mails at New York, the Ocean Postal Subsidy Amendment Bill, and the question of the reduction of the territorial transit charges.

In reference to the last, and the point raised by Messrs. Spreckels Brothers as to the application of any amounts which would come to the colony in the event of the charges being reduced, I am now to inform you that the Postmaster-General has again given it his earnest consideration, and to express his regret that he is unable to alter the view of the matter which I notified to you in my letter of the 17th February. He cannot agree to the contractors receiving the benefit of any prospective reduction in those charges.

I have, &c.,

W. GRAY,  
Secretary.

R. J. Creighton, Esq.

Resident Agent for New Zealand, San Francisco, California.

## No. 99.

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

SIR,—

Premier's Office, Wellington, 19th May, 1892.

I have the honour to acknowledge the receipt of your letter of the 19th March, covering a copy of yours of the 10th idem to the Imperial Post Office, and the reply therefrom of the 18th, as to the division of the outward correspondence between the San Francisco and Suez services.

Several of the Federal mails since the beginning of the year have been delivered quicker than was anticipated, owing to the early arrival of the contract steamers in Australia. On two occasions the mail which left London eight days before that despatched *via* San Francisco arrived first, and once the deliveries were simultaneous. But the present method of despatch is the best for the colony, as there is no certainty as to the time of receipt of the Federal mails. Twice it has happened that the mails of two successive despatches from London have been received at the Bluff by the same steamer, the later mails taking thirty-eight and thirty-nine days to reach the colony, and those of the previous week's forty-five and forty-six days. The longest delivery up to the present has been forty-seven days.

The inter-colonial service between Auckland and Sydney has been reduced from weekly to fortnightly for the winter, and the delivery of the Federal mails for the North Island will be even less regular and reliable—another and a stronger reason for continuing existing arrangements.

W. B. Perceval, Esq.,

Agent General for New Zealand, London.

I have, &c.,

J. BALLANCE.

## No. 100.

The Hon. J. G. WARD to the AGENT-GENERAL, London.

SIR,—

General Post Office, Wellington, 16th February, 1891.

I have the honour to forward you an extract from a letter received from the London Post Office, from which you will learn that the new apportionment of the cost of the San Francisco service is to date from November, 1889, in accordance with the decision of the Imperial authorities conveyed to you the year before last.

When you succeeded in 1889 in obtaining a renewal for another year of the then existing arrangement in respect of the San Francisco service it was not contemplated to reduce the letter rate from 6d. to 2½d., nor does it appear that the question was discussed during your late negotiations. The decision of the London Post Office to date the new arrangement as far back as November, 1889, has therefore been received with surprise. Remembering that the altered arrangement was the immediate outcome of the reduction in the ocean letter rate to 2½d., a reduction which necessarily involves a considerable loss to the colony on account of its ocean services, the Government is decidedly of opinion that the new apportionment of the cost of the San Francisco service should be restricted to the current year's renewal. I have therefore to request you to be good enough to represent this to the Colonial Office, and, if necessary, to protest against the colony being required to bear any additional burden in respect of the San Francisco service.

The London Post Office, I may add, has been advised that you would communicate with the Colonial Office.

I have, &c.,

J. G. WARD, Postmaster-General.

The Agent-General for New Zealand, London.

## Enclosure in No. 100.

(From Letter of the 24th October, 1890, from the General Post Office, London, to the Postmaster-General, Wellington.)

“For some years past it has been recognised that the method of apportioning the expense of the mail-service between this country and New Zealand and Australasia, *via* San Francisco, resulted in an unduly heavy charge on the revenue of this country; and of this opinion the New Zealand Government has been long aware. Applications, however, have been made by that Government to