

No. 117.

Sir F. D. BELL to the Hon. the POSTMASTER-GENERAL, Wellington.

SIR,—

Wellington, 22nd January, 1892.

I have the honour to acknowledge the receipt of your letter informing me that the Imperial Treasury had decided not to date back the apportionment for the San Francisco service further back than the 1st October, 1890.

I congratulate you on this favourable result, and beg you to accept my thanks for the kind reference you have been pleased to make to the representations I had addressed to the Imperial authorities on the subject while I was Agent-General.

I have, &c.,

The Hon. the Postmaster-General, Wellington.

F. D. BELL.

No. 118.

The Hon. GEO. McLEAN to the SECRETARY, General Post Office, Wellington.

Union Steamship Company of New Zealand (Limited), Wellington,

SIR,—

13th July, 1891.

You will observe from the extract from Messrs. Spreckels's letter sent you that not only does the Postmaster-General of the United States deduct £200 per trip on account of the "Monowai" being a New Zealand ship, but he purposes to cut down the payment to sea postages only, thereby putting her even in a worse position than the "Zealandia" occupied.

Might I crave your good offices in a firm protest against such treatment, bringing out clearly the fact that you are supporting the service, and have never during all those years that it has been in existence raised any objection to American ships being employed; and now that it has been arranged to carry on the service with two American and one British vessel, and as their proportion is as two to one, you can readily press on them the necessity of showing just consideration for a line which must be to your mutual advantage as tending to develop trade between the two countries, and that their £12,000 should be treated as a contribution to the service, as it was fully understood to be when granted.

I have, &c.,

GEO. McLEAN,

For Managing Director.

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

Enclosure in No. 118.

(Extract from J. D. Spreckels's Letter of the 30th April, 1891.)

THE United States Post Office Department has raised the question of the ownership of the "Monowai," and the amount of the remuneration she is entitled to receive for carrying the American mail. I explained the nature of our arrangements for a joint service, and was met by the statement that the order of the Postmaster-General granting \$60,000 a year for the Australian mail was expressly declared to apply only to ships owned by the Oceanic Company, and that if the "Monowai" did not belong to that company it was only entitled to receive sea postages computed at the rate of about 44 cents per pound for letters and 4½ cents per pound for other matter, under section 4,009 of the Revised Statutes of the United States. To this I replied that the service was being efficiently performed, and that, if the letter of the order was not complied with, its spirit had been, and that we were entitled to collect the full amount. In reply, under date of the 24th March, 1891, the Superintendent of Foreign Mails wrote: "The Postmaster-General directs me to confirm the statements made in letter 95,081, above referred to, and again to invite your attention to the circumstance that his order of the 9th January last related exclusively to the vessels of your company in its provision that, subject to the provisions and conditions hereinafter contained, the sum of \$60,000 per annum shall be allowed and paid to the Oceanic Steamship Company, of the City of San Francisco, State of California, as full compensation for the services rendered by said company," &c.

"It is probably unnecessary to assure you that the Postmaster-General has no desire to evade any of the provisions of this order of the 9th January last; but when said order was made the Oceanic Steamship Company alone was recognised by the department as interested in the matter, and to that company alone can payment be made under and at the rates prescribed by said order.

"If the business arrangements between your company and the owners of the 'Monowai' are such that, so far as the conveyance of the United States mails for the Australian Colonies are concerned, the steamer 'Monowai' is to be considered as a substitute for your steamer 'Zealandia,' temporarily withdrawn, for whose services in conveying the mails your company is authorised to receive compensation from this department to that effect, then compensation for the services rendered by the steamer 'Monowai' will be allowed to your company at the rate prescribed in the Postmaster-General's order of the 9th January, 1891, otherwise the compensation to be allowed to the agents of the steamer 'Monowai' must be limited to the sea postage on the mails conveyed."

I was not able to state that our business arrangements were in the nature of a temporary substitution of the "Monowai" for the "Zealandia," and so informed the department, whereupon I was advised, under date of the 16th April, that the order recognising the services of the steamers of the Oceanic Steamship Company for the quarter ended the 31st March, 1891, was suspended until further advice had been received from us respecting our authority to receive compensation for the "Monowai's" services.

To this I replied that we had no further remarks to make; that the nature of our business arrangement with the Union Company of New Zealand had been already stated, and that, as your