

Company, from London, to the effect that the two companies are not prepared to agree to extend the existing mail-contract for a period of three years, as the remuneration is considered quite inadequate for the services required to be performed under the contract.

I have, &c.,

ISAAC GIBBS, Secretary.

The Secretary, Post Office and Telegraph Department, Wellington.

No. 130.

Mr. GRAY to the SECRETARY, New Zealand Shipping Company (Limited), Christchurch.

SIR,—

General Post Office, Wellington, 27th June, 1891.

I have the honour, by direction of the Hon. the Postmaster-General, to acknowledge the receipt of your letter of the 15th instant, notifying that your company and the representatives of the Shaw-Savill and Albion Company have received cable messages from London to the effect that the two companies are not prepared to agree to extend the existing Direct mail-service contract for a period of three years on the present terms, on the ground of inadequacy of subsidy.

I am desired to express the regret of the Hon. Mr. Ward that a three years' extension of the contract cannot be accepted by the companies; and, at the same time, to advise you that the Government will not be able to agree to any renewal of the service except on the existing conditions.

I have, &c.,

W. GRAY, Secretary.

The Secretary, New Zealand Shipping Company (Limited), Christchurch.

No. 131.

The SECRETARY, New Zealand Shipping Company (Limited), to the Hon. J. G. WARD, Wellington.

(Telegram.)

Christchurch, 13th July, 1891.

Would Government give £600 per voyage for fortnightly Direct mail-service, subject three months' notice either side if expedient change route?

No. 132.

The Hon. J. G. WARD to the SECRETARY, New Zealand Shipping Company (Limited), Christchurch.

(Telegram.)

Wellington, 18th July, 1891.

Your telegram of 13th instant has been considered by Cabinet. I regret that the Government cannot give a fixed subsidy of £600 per fortnightly voyage, as requested. Cannot increase offer or alter proposal made 28th May.

No. 133.

Mr. GIBBS to the Hon. the POSTMASTER-GENERAL, Wellington.

The New Zealand Shipping Company (Limited), Christchurch,
24th July, 1891.

SIR,—

I have the honour to acknowledge receipt of your telegram of the 18th instant.

In reply, I beg to inform you that we cabled our London Board on the 22nd instant in terms of your telegram, and on receipt of a reply we will communicate with you again on the subject.

I have, &c.,

The Hon. the Postmaster-General, Wellington.

ISAAC GIBBS, Secretary.

No. 134.

Mr. GIBBS to the Hon. the POSTMASTER-GENERAL, Wellington.

SIR,—

The New Zealand Shipping Company, Christchurch, 28th July, 1891.

Referring to my letter of the 24th instant I have now the honour to inform you that we have received the following cable, dated London, 25th instant: "Direct Mail-service—We delay replying definitely till Mr. Harper arrives."

Mr. Harper is the chairman of the colonial board of directors of this company, and proceeded to London in the s.s. "Arawa" on the 25th instant. He is due in London about the 5th September, and we shall be glad if you can see your way to leave the question of the Direct mail-service open pending his arrival there.

I have, &c.,

The Hon. the Postmaster-General, Wellington.

ISAAC GIBBS, Secretary.

No. 135.

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

SIR,—

Premier's Office, Wellington, 3rd August, 1891.

With reference to the Hon. Mr. Buckley's letter to you of the 28th May (*vide* No. 63, F.—4, 1891), on the subject of the renewal of the ocean mail-services (which my further letter of the 21st ultimo also refers to), I have the honour to inform you that the negotiations in connection