No. 51.

Messrs. Henderson and Macfarlane, Auckland, to the Secretary, General Post Office, Wellington.

Oceanic Steamship Company (American and Australian Line),

SIR,-Auckland, 19th February, 1902.

We have the honour to acknowledge the receipt of your letter of 15th instant, covering rough draft of the proposed mail contract, which will be forwarded to Messrs. J. D. Spreckels and Bros. by the mail leaving here 22nd instant. We will also send a copy of extract of letter dated 3rd December, forwarded by the Secretary of the Wellington Chamber of Commerce to the Hon. the Postmaster-General, and will pass on Mr. Spreckels's comments when received.

We are, &c.,

HENDERSON AND MACFARLANE.

The Secretary, General Post Office, Wellington.

No. 52.

Mr. Sproul (Messrs. Henderson and Macfarlane), Auckland, to the Secretary, General Post Office, Wellington.

Sir,-Auckland, 19th February, 1902. Your letter of the 15th instant, commenting on the draft of the contract officially for-

warded under the same date, is to hand, with thanks.

Mr. Dunnet is still away, but I expect he will back to-day or to-morrow.

I have glanced over the contract, and enclose herewith a few memoranda [not printed] which I have made against various clauses. Of course, you will recognise in these memoranda that the words "should include" are merely my own ideas, and not in any way expressive of Mr. Speckels's own opinions. I do not think that he will have any objection to the contract as it stands, as I presume, except for a few particulars governing speed of steamers, &c., the contract is much on the same lines as the last one. Would you kindly, after perusal of my comments, wire either me or Mr. Dunnet if you think your Government would include them, so that in Saturday's mail we could deal intelligently with the matter in our letter to Mr. Spreckels?

Thanking you for the many courtesies you have extended to us in this matter,

Yours, &c.,

The Secretary, General Post Office, Wellington.

V. A. SPROUL.

No. 53.

The Secretary, General Post Office, Wellington, to Messrs. Henderson and Macfarlane, Auckland.

(Telegram.)Wellington, 22nd February, 1902.

I have yours of 19th re draft San Francisco contract. I reply as under:—
Clause 4: The increased rates, which I presume are those now collected, may be substituted. Would you kindly say whether any of the other rates set out in the draft clause are higher than those now charged by the company.

Clause 6: The present contract will not cover the period prior to the 30th November last; therefore the suggested addition of "taking effect as from the 1st November, 1900," cannot be

Clause 9: Yes, the penalties are the same as in last contract. I assume you do not wish this set out.

Clause 10: As the number of hours appears correct I see no need to amend the clause.

Clause 14: I am afraid the suggested addition could not be made. Government does not control harbour rates, and, as you may remember, the Wellington Harbour Board absolutely refused to free the Port of Wellington to the Vancouver steamers. Although Government has the power to set out an exemption of harbour rates in any mail contract, it would not be likely to do so in the face of determined opposition on the part of the Harbour Board affected.

Clause 21: I see no objection to the addition of the suggested proviso.

Clause 24: This addition may also be made.

It is to be understood that my acquiescence is subject to the Postmaster-General's approval. I do not, however, think that he will be likely to take any exception to what I have done.

No. 54.

Auckland, to the Secretary, General Post Office, Messrs. Henderson and Macfarlane, Wellington.

Oceanic Steamship Company, (American and Australian Line), Auckland, 24th February, 1902.

Sir.— We have to thank you for your telegram of 22nd instant, dealing with our comments on the draft contract forwarded by "Ventura's" mail to our head office. We have particularly noted that the Wellington Harbour Board refused to free the Port of Wellington to the Vancouver steamers, which would seem to show that if our steamers happened to call at Wellington at any time they would be treated on the same footing as non-mail-carrying steamers. Our own com-