38. The arbitration shall take place and be conducted at Wellington, and the arbitrator or arbitrators, or the umpire, as the case may be, shall deliver his or their award in writing to the Postmaster-General, who shall retain the same, and shall forthwith, on demand, at their own expense, furnish a copy thereof to the Company, and shall at all times, on demand, produce the said award, and allow the same to be inspected or examined by the Company, or any person appointed by it for that purpose.

39. Any submission to arbitration may be made a rule of the Supreme Court of New Zealand

on the application of the Postmaster-General or the Company.

In witness whereof the Postmaster-General hath hereunto set his hand and seal, and the Company hath hereunto caused its common seal to be affixed, the day and year first above written.

Signed, sealed, and delivered by the said Joseph George Ward, as Postmaster-General of New Zealand, in the presence

W. Gray, Secretary, Post and Telegraph Department.

The common seal of the J. D. Spreckels and Bros. Company, of San Francisco, was hereunto affixed in the presence of-

Fredk. S. Samuels.

J. G. WARD. (L.S.)

J. D. Spreckels and Bros. COMPANY.

JOHN D. SPRECKELS, President. (Seal of the company.)

INCIDENTS AND TRANSIT IN THE UNITED STATES, ETC.

No. 91.

The RESIDENT AGENT for NEW ZEALAND, San Francisco, to the Secretary, General Post Office, Wellington.

Resident Agency for New Zealand, San Francisco, 27th April, 1901. SIR.-I have the honour to acknowledge receipt of your cable reading [No. 156, F.-6, 1901],

to which I replied [No. 157, F.-6, 1901], which I now confirm.

Upon receipt of your cablegram I made inquiries from Messrs. Spreckels and Company, to afford them an opportunity to reply. Their manager stated that the delay in arrival of the "Sierra" at this port was occasioned by the disablement of one of her engines, which compelled the voyage to be accomplished with one engine only, which, added to the late departure from Sydney, caused a five days' later arrival than the time-table date. In respect to the "Ventura," they claim that the strike of the coal-passers prevented the steamer taking on board enough coal to last through the voyage, and that upon arrival at Auckland the steamer was detained some twenty-four hours in quarantine, and also prevented from taking additional coal, so that upon arrival at Honolulu they were compelled to wait thirty-two hours for the purpose of procuring enough coal to complete the voyage to San Francisco, causing a late arrival here of forty-eight

Through the late arrival here by five days of the "Sierra" the connections with the s.s. "Campania" at New York on the 9th and with the "Germanic" on the 13th were not accomplished, the mails remaining at New York until the departure of the "Umbria" on the 16th February, the latter vessel only reaching Liverpool on the 24th February.

The "Ventura's" late arrival caused the misconnection at New York with the "Servia" on the 13th April, the mails arriving at New York on the 15th and remaining there until the departure of the s.s. "Majestic" on the 17th, only reaching Liverpool on the 25th April.

It will be seen that, in order to accomplish the fulfilment of the mail-schedule as printed, it is imperative that the Pacific steamer must reach San Francisco in time to catch the night express for New York at the latest.

Messrs. Spreckels inform me that they think further delays caused by protracted voyages on the Pacific will not be experienced in the future, now that the new boats are in running-trim; but, as the "Sonoma," now in the colonies, is reported to have disabled one of her engines, it is not improbable that at least one more delay will be experienced.

I have, &c.,

H. Stephenson Smith, Resident Agent.

The Secretary, General Post Office, Wellington.