and we are now in receipt of a letter from the latter gentleman from which we quote: "I did not expect to make any claim for demurrage, and did not call upon you to do so. If you have not already done so, I wish that you would recall that portion of your letter to the Postmaster-General asking for compensation, and explain that it was a misunderstanding on your part. Otherwise he will not understand the apparent inconsistency of the claim with the draft contract as amended by me.

We have therefore much pleasure in withdrawing the claim referred to, and, judging from Mr. Spreckels's cables to us in connection with the departure of steamers from this port, which have been duly passed on to you, you will no doubt conclude that the president of the Oceanic Company is anxious to act in harmony with the New Zealand Government to the fullest extent permitted by the United States mail-contract. We have, &c.,

HENDERSON AND MACFARLANE, General Agents for New Zealand.

The Secretary, General Post Office, Wellington.

No. 137.

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

GENTLEMEN,-General Post Office, Wellington, 5th June, 1902. I have the honour to acknowledge, with thanks, the receipt of your letter of the 29th ultimo, withdrawing the claim made on behalf of the J. D. Spreckels and Bros. Company for compensation on account of the detention of the "Sierra" at San Francisco until the 9th February last for the English mails which arrived late at New York by the Cunard Company's "Saxonia."

I have, &c.,

W. Gray, Secretary.

Messrs. Henderson and Macfarlane, Auckland.

No. 138.

The Hon. the ACTING-PREMIER to the AGENT-GENERAL.

Premier's Office, Wellington, 6th June, 1902. SIR. I have the honour to acknowledge the receipt of your letter of the 4th April last, covering copy of one from the Imperial Post Office stating that the Postmaster-General had represented to the Cunard Steamship Company the delay to the New Zealand mails owing to their despatch by the "Saxonia" in January last, and had suggested that only the fastest steamers be used for our mails.

I am obliged for your action in this matter, and pleased to learn that the Imperial Postmaster-General will probably forward the New Zealand mails by a fast steamer of some other line when the Cunard Company does not employ its fastest steamers for the service.

I have, &c., J. G. WARD, Acting-Premier.

The Hon. W. P. Reeves, Agent-General for New Zealand, London.

No. 139.

The Hon. the ACTING-PREMIER to the AGENT-GENERAL.

Sir. Premier's Office, Wellington, 6th June, 1902. In continuation of previous correspondence, I have now the honour to enclose copy of my cablegrams of the 17th and 28th ultimo [Nos. 135 and 77], from which you would learn that the representations to Messrs. the J. D. Spreckels and Bros. Company resulted in the sailing-day of the San Francisco steamers from Auckland being put forward from Saturday to Friday. Commencing, therefore, with the departure of the "Ventura" on the 27th proximo, regular connection at New York with the Saturday fast steamer for Great Britain should be assured, and the vexatious delays in the delivery of the Homeward mails at London, so frequent of late, I hope, ended.

I have, &c.,

J. G. WARD, Acting-Premier.

The Hon. W. P. Reeves, Agent-General for New Zealand, London.