

time of leaving Onehunga wharf till arrival at Wellington, but having to steam against flood tides at Onehunga and in the Straits somewhat hindered her progress.

Captain Holford also states that, although not specially advised when leaving Onehunga, there was no doubt whatever in his mind as to the "Takapuna" proceeding through to Wellington with the mail as usual, and the absence of definite instructions to this effect did not affect in the slightest degree the matter of the time occupied on the voyage.

I have, however, sent a copy of your letter to our Auckland manager.

Yours, &c.,

The Secretary, General Post Office, Wellington.

W. A. KENNEDY, Manager.

No. 98.

The GENERAL MANAGER, Union Steam Ship Company, Dunedin, to the SECRETARY, General Post Office, Wellington.

Union Steam Ship Company of New Zealand (Limited),

Dunedin, 24th November, 1903.

SIR,—

I have to acknowledge yours of the 19th instant [No. 16], and thank you for the copies of the resolutions with regard to the San Francisco mail-service.

We shall be pleased to renew the contract for the coastal carriage of the San Francisco mails on the present terms and conditions.

I have, &c.,

C. HOLDSWORTH, General Manager.

The Secretary, General Post Office, Wellington.

No. 99.

The SECRETARY, General Post Office, Wellington, to the MANAGING DIRECTOR, Union Steam Ship Company, Dunedin.

SIR,—

General Post Office, Wellington, 28th November, 1903.

I have the honour to acknowledge the receipt of your letter of the 24th instant, offering to renew the arrangement for the coastal collection and distribution of the San Francisco mail.

Now that your company has had experience of the daily running between Onehunga and New Plymouth, I should be glad to know whether a reduction in the existing subsidy for the coastal carriage of the mail is not possible, especially as it is not now absolutely necessary for your company to provide a steamer from Wellington for the outward mails. You will recall that the Postmaster-General in 1901 decided that the subsidy payments should remain as they were until it was seen whether the daily service brought an increased independent traffic to your company's steamers, which I presume is now the case.

I have, &c.,

The Managing Director,

W. GRAY, Secretary.

Union Steam Ship Company of New Zealand (Limited), Dunedin.

No. 100.

The MANAGER, Union Steam Ship Company, Wellington, to the SECRETARY, General Post Office, Wellington.

The Union Steam Ship Company of New Zealand (Limited),

Wellington, 14th March, 1904.

SIR,—

I have just been advised by my head office that they have decided to continue the daily service between Onehunga and New Plymouth until the end of April this year, in conjunction with the Northern Steamship Company.

Yours, &c.,

W. A. KENNEDY, Manager.

The Secretary, General Post Office, Wellington.

No. 101.

The MANAGING DIRECTOR, Union Steam Ship Company, Dunedin, to the Secretary, General Post Office, Wellington.

Union Steam Ship Company of New Zealand (Limited),

Dunedin, 17th March, 1904.

SIR,—

I have the honour to refer to your letter of the 28th November last, in which you asked if we could make a reduction in the subsidy we are now paid for the coastal collection and distribution of the San Francisco mail, in view of an increased traffic resulting from the introduction of the daily train-service between Wellington and New Plymouth. Our returns do not show that the introduction of the daily service has increased independent traffic by our steamers to any material extent, but, as it has been definitely decided that the daily steamer service shall be maintained between Onehunga and New Plymouth during the summer months, in this respect the connection with the San Francisco mail-steamer at Auckland is rendered less onerous. In view of this we are prepared to accept a reduction of £500 per annum upon the subsidy now paid to continue the present arrangements for the collection and distribution of the mail. Other conditions to be as at present existing.

I have, &c.,

JAMES MILLS, Managing Director.

The Secretary, General Post Office, Wellington.