been docked for cleaning, and that the failure to dock the vessel at Sydney was due to strike troubles, I have the honour to inform you that as the failure of the vessel to make the mailconnection at Sydney on the 13th January was due to circumstances beyond your company's control, the Postmaster-General has decided that the penalty due under the contract for late I have, &c., F. V. WATERS, arrival is not to be imposed.

Assistant Secretary.

The General Manager, Union Steam Ship Company of New Zealand (Limited), Dunedin. [Acknowledged, 6th March, 1914.]

No. 127.

The Assistant Secretary, General Post Office, Wellington, to the General Manager, Union Steam Ship Company, Dunedin.

General Post Office, Wellington, 19th March, 1914. SIR,-

In reference to your letter of the 9th ultimo, in the matter of the arrival at Sydney on the 27th January last of the s.s. "Manuka," at about 6 p.m., too late to enable the whole of the mails to connect with the mail-train from Sydney, I have the honour to inform you that, as the failure to make the mail-connection was due to circumstances beyond your company's control, the Postmaster-General has decided that the penalty due under the contract is not to be I have, &c.,

GEO. B. DALL,

Assistant Secretary.

The General Manager, Union Steam Ship Company of New Zealand (Limited), Dunedin. [Acknowledged 24th March, 1914.]

No. 128.

The Secretary, Postmaster-General's Department, Melbourne, to the Secretary, General Post Office, Wellington.

Postmaster-General's Department, Melbourne, 23rd March, 1914. SIR,— I have the honour to inform you that it has been brought under notice by the Deputy Postmaster-General, Sydney, that considerable difficulty has on several occasions lately been experienced by the late arrival on Tuesdays of the Union Company's boats from New Zealand with the English mails on board, and that special efforts have to be made to hurry these mails to the railway-station to catch the 8 p.m. express or "special" trains. It is stated that the New Zealand boats arrive on English mail-days when the staff can be ill spared to attend to any other business, and the men have to be detained to handle the New Zealand mail after a very busy day, and are required to work against time in their endeavour to save the chartering of a special train, or to allow the special to leave as early as possible.

2. The Deputy Postmaster-General, Sydney, goes on to say that during the late shipping trouble, in order to expedite the landing of mails, the Union Company supplied a tender on each occasion, and the ship's crew lowered the mails from the steamer into the tender; the unloading of the tender on arrival at the wharf was carried out by this Department's staff. A launch was used to land the Sydney and Brisbane portion of the mail, so that the tender could leave immediately with the "forward" portion of the mail for despatch by the express or special

3. The Deputy Postmaster-General has therefore asked that the matter be represented to you with a view of some satisfactory arrangement being agreed upon, if it is impossible to arrange for the earlier arrival at Sydney of the boats on Tuesday.

4. Having reference to the dislocation of the service by the recent shipping strike, the Deputy Postmaster-General, Sydney, has submitted the following comments, viz.:—
"On some occasions the mails for New Zealand were placed on board one boat and at the last moment had to be transhipped to another. This work was performed under awkward conditions, as none of the crew were available to assist, and mails had to be hauled out of the ship's

hold by block and tackle.
"The inconvenience to this Department's business has been considerable, owing to men being detached for this work at unexpected times. From the 18th November to the 16th December the estimated amount paid by this Department on account of New Zealand mails was £25

5. It is understood that your Government has an agreement with the shipping company to land the mails at Sydney in time to catch the express train leaving at 8 p.m., and I shall be glad if you will kindly favour me with advice in regard thereto.

I have, &c.,

JUSTINIAN OXENHAM, Secretary.

The Secretary, General Post Office, Wellington, N.Z.