The Hon. J. Vogel to the Secretary of State for the Colonies.

My Lord,-Charing Cross Hotel, London, 3rd June, 1871.

I have not yet been able to effect any arrangement with the Post Office, in respect to the postal receipts by the new route to New Zealand and Australia, via San Francisco.

I have an appointment with the Postmaster-General, for Thursday next, the 8th instant; but, meanwhile, it has occurred to me that probably the best plan would be for me to make a definite proposal to your Lordship, in the hope that you will be able to recommend its acceptance by the Postmaster-General.

To my applications for the allowance to New Zealand of the postages received on account of the new route, over and above the payments which have to be made to the American Government, there

has been urged the objection that that route is calculated to injure the old one via Suez.

It appears to me that if I am able to show to your Lordship that, by the proposal I am about to make, benefits will be conferred upon the Colony or Colonies interested, it could not be held, in accordance with the principles which guide the management of such services, that new postal conveniences should be refused, or the attempt to supply them be discouraged, because of a fear that the pecuniary receipts by another service might possibly be lessened. I abstain from dwelling on the possibility that, by encouraging an increase of correspondence, the existing service may be benefited rather than injured.

From a debate which took place recently in the House of Commons, I observe that there is great anxiety on the part of honorable Members for the establishment of a 1d. postal rate to the Colonies;

and it is, in effect, the establishment of such a rate I am about to propose.

If the Postal authorities will cause our mails to be carried free to New York by the Thursday steamer—for which the subsidy is not per letter, but by aggregate mails—I will agree, on behalf of the New Zealand Government, to pay all the charges made by the American Government, and to carry the mails free from San Francisco to New Zealand; and I will also agree to the Post Office charging a rate of 1d. per half-ounce for the carriage of letters: the receipts from that source, and from the postages on newspapers and book-parcels, to pass in reduction of any amount which may have to be paid to the American Government; the excess of payment (if any) made by the Post Office to be refunded

The Government of New Zealand have not yet made an arrangement with the Australian Colonies to participate in subsidizing the new line. But I have no doubt that in the course of a few months such an arrangement will be made; and, meanwhile, I am willing that mails should be sent to those Colonies on the same terms as I have suggested in the case of New Zealand. If it should prove that the Australian Colonies do not desire to use the new service, an intimation to that effect can be sent to

the Post Office by the Government of New Zealand.

In considering this proposal, I ask your Lordship to remember how vastly beneficial an influence will follow such a reduction of postage between Great Britain and the Colonies. Not only will the reduction tend to encourage emigration, but its effect in developing trade and strengthening friendly

relations between the mother country and her Colonies, can hardly be exaggerated.

I may add, I have reason to think that if the proposal now made be acceded to, the American Government will remit all the territorial charges upon Colonial mails passing through the United

States.

The Right Hon. the Earl of Kimberley, &c.

I have, &c., JULIUS VOGEL.

Mr. R. G. W. HERBERT to the Hon. J. VOGEL.

Downing Street, 6th June, 1871. SIR,-

I am directed by the Earl of Kimberley to inform you that he referred to the Postmaster-General your letter of the 3rd instant, suggesting the establishment of a penny postal rate between the United Kingdom and New Zealand via San Francisco; and I am desired to transmit to you, for your information, a copy of the letter which has been received in reply.

You will perceive that the Postmaster-General is desirous of receiving a further explanation of

your views with as little delay as possible.

I have, &c.,

Julius Vogel, Esq., &c.

R. G. W. Herbert, Esq., &c.

ROBERT G. W. HERBERT.

Mr. J. TILLEY to Mr. HERBERT.

SIR,-General Post Office, 6th June, 1871.

With reference to your letter of the 5th instant, enclosing copy of a communication from the Postmaster-General of New Zealand, now in this country, in which he suggests the establishment of a penny rate of postage for letters conveyed via San Francisco, between the United Kingdom and New Zealand, I am directed by the Postmaster-General to request that you will state to the Earl of Kimberley that the proposal made by Mr. Vogel, as it stands, refers only to letters despatched from this country to New Zealand. It is not stated at whose expense the mails from New Zealand are to be conveyed from New York to this country, the cost of which is now defrayed by the United States Post Office, and repaid by this Department.

As this point must be clearly understood before the proposal can be considered, the Postmaster-General will be glad if Lord Kimberley will request Mr. Vogel to explain his views more specifically.

I have, &c.,

JOHN TILLEY.

-Mr. Monsell will be very glad if the further explanation here asked for could be in his hands before he receives a deputation on this subject which is to wait upon him on Thursday next.

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APPENDIX A.

Mail Negotiations.