

American transit, and may therefore be looked upon as net revenue, it might be found that a reduction of the rate of postage to (say) 3d. might lead to an increase of revenue, whilst it would very much encourage communication with the Mother Country.

The Hon. the Colonial Secretary, New South Wales.

I have, &c.,
JULIUS VOGEL.

No. 8.

The Hon. J. ROBERTSON to the Hon. J. VOGEL.

SIR,—

Sydney, 5th February, 1872.

I have the honor to acknowledge the receipt of your letter of the 1st instant, submitting a proposal in detail respecting the carriage of mails to and from this colony and England *via* San Francisco.

2. In reply, I beg to inform you, that this Government, having fully considered such proposal, have arrived at the conclusion that they are not yet in a position to deal with it, and think that its determination should therefore stand over for the present.

The Hon. Julius Vogel, Esq., &c., Sydney.

I have, &c.,
JOHN ROBERTSON.

No. 9.

The Hon. J. VOGEL to the MANAGER, A.S.N. Co.

SIR,—

Sydney, New South Wales, 17th February, 1872.

I have the honor to inform you that I undertake to procure the exemption of the steamers belonging to your company, which connect at Auckland, New Zealand, with the San Francisco contract mail steamers, from pilotage and light dues at the port of Auckland.

The Manager, A.S.N. Co.

I have, &c.,
JULIUS VOGEL,
Postmaster-General, New Zealand.

No. 10.

MR. WEBB to the Hon. J. VOGEL.

SIR,—

Melbourne, 26th February, 1872.

With reference to the requirements of clause 41 in the contract for mail service made March 7th, 1871, I have the honor to advise you of what has been done in this respect. Immediately after signing the contract, a representative of the Line was delegated to attend upon the Congress of the United States, then in session, collect such statistics of the wool and flax trade as were then obtainable, and present them to Congress, with proper arguments for a reduction of the duty on New Zealand and Australian wool and flax.

That session of Congress closed so soon after our contract was made, that little more could be done in that direction until after the re-assembling of Congress.

I have, myself, had personal interviews with the Committees of Congress having the subject of the tariff in charge, and also with influential members of Congress favourable to a general reduction of the existing tariff, who assured me that at the next session of Congress (now assembled) some reduction of the duty on wool and flax should be made. During the interval between the adjournment of the late Congress and the assembling of the present one, an association of wool growers, woollen manufacturers, and others, has been formed in the United States, whose avowed object is to procure a reduction of the duty on imported wool and flax; and I confidently rely upon our combined efforts to effect the desired reduction at the present session of Congress.

Immediately on beginning to run our line of steamers, I discovered that but little freight was moving between the respective countries. I therefore applied myself to cause the wool and flax of New Zealand and the other colonies to be shipped to the United States, and thus secure the freight for our steamers. To accomplish this, it was necessary to hold out some extra inducements to the manufacturers and purchasers of wool and flax, who reside almost entirely in the Atlantic cities of the United States, to determine them to purchase direct in the New Zealand and Australian markets, and ship to and through San Francisco by steamer and railroad, instead of purchasing in the European markets, and shipping by sailing ships as heretofore. I therefore offered to those parties, if they would purchase in these colonies at the approaching season of wool and flax sales, that I would freight their purchases not only to San Francisco, but to the railroad stations in the cities and towns where their mills and warehouses were located in the Atlantic cities, at an unprecedented low rate of freight, and on through bills of lading, thus relieving them and the shippers of all trouble and responsibility from the time of shipment until the delivery at their own doors.

These offers of mine, with still more onerous conditions attached, were accepted by some, and large purchases of wool by American buyers immediately followed, competing with the Home and European buyer, and thus very greatly advancing the market price of the wool throughout the whole season in all the colonies.