

she was chartered owing to Contractors' default, "Colima" having broken down, and that she would be available for return mails, 2nd February, but have received no reply. Forster and Cooper requested to inform Contractors. We informed Contractors' agent here in similar terms, but he declined to waive Contractors' right to bring return mails unless we indemnified Contractors against consequences arising from failure to supply vessel on that date. Can you give any information in relation to this matter?

ANSWER.

I KNOW nothing of this matter.

## CASES OF THE "VASCO DA GAMA," "COLIMA," AND "CITY OF SAN FRANCISCO."

From the Hon. JOHN ROBERTSON and the Hon. J. F. BURNS.

CASE of "Vasco da Gama."—This vessel, which only arrived on the 13th November, after negotiations had been commenced to procure another vessel in her stead, was announced to go *viâ* Auckland; permission to go that route having been first applied for by Mr. Hall, and refused, and permission to employ the "Cyphrenes" for that trip in lieu of the "Vasco da Gama" having also been applied for and refused. This Government had determined not to recognize the "Vasco da Gama" as a mail ship, so long as she was announced to go by an unauthorized route, and accordingly did not issue the usual mail notice; and although communications passed between the Post Office and Mr. Hall, the vessel continued to be advertised *viâ* Auckland. Hall wrote a letter on the 18th November (copy of which, and of all correspondence relating to the performance of services, have been sent to New Zealand), stating that he was prepared to despatch the vessel at the appointed time with mails to Fiji and San Francisco; and the usual notice was thereupon issued. The vessel, however, did go *viâ* Auckland, from thence to Fiji, and on to San Francisco; and the question to be determined is, whether the subsidy, less fines for the delay caused to the Sydney mails by the divergence to Auckland, is to be paid or not.

The question of payment of the "Colima" subsidy remains to be decided. She occupied forty-five days in the passage (having broken down), and incurred penalties on account of the New South Wales Government, amounting to £1,488, or within £41 of the subsidy, besides having come by the unauthorized route of Auckland. The enforcement of penalties rests with the Postmaster-General of the colony affected by the irregularities; but in this and other cases where unapproved vessels have been used, or unauthorized route followed, it would seem desirable that the two colonies should act in unison. What is your opinion?

Case of the "City of San Francisco."—This vessel (the second overlapping boat) arrived here on the 7th January; but although she, like the "Colima," came *viâ* Auckland, the voyage was performed within contract time, twenty-seven days. She did not bring the mails, they having been forwarded by the "Mikado." It may be pointed out, that the irregularities on the part of Contractors have been more serious as regards New Zealand than even as regards this colony, inasmuch as, with one single exception, the service between Auckland and Port Chalmers has never been attempted. The exception was in the case of the "Cyphrenes," an unapproved vessel, which broke down soon after leaving there. The Postmaster-General of New Zealand, it may be added, has written expressing his concurrence in the action taken here in reference to the before-mentioned matters. Will you say what your views are as to the payment of the subsidy in this case? You will, of course, bear in mind that each Government has already paid the "Mikado" subsidy for conveying the mails from Frisco.

ANSWER.

I AGREE that when both colonies affected by any palpable irregularity, they should try to act together about penalties. Understood in England, that we were not to pay for "Colima" to the colonies, and am of opinion we should not pay for her trip to the colonies. I have the papers *re* "Cyphrenes" and "Vasco," and I consider we should adhere to our decision not to regard the service as a contract one. The down service of the "City of San Francisco" we might pay half for. She brought no mails. I thank you for referring to our coastal service. We must have this properly performed, and will not recognize Hall's patched-up services. We put the mails on board the "Cyphrenes" with distinct intimation to that effect.

## DELAY IN TRANSIT OF MAILS ACROSS THE AMERICAN CONTINENT.

From the Hon. JOHN ROBERTSON and the Hon. J. F. BURNS.

THERE is no doubt that unnecessary delay takes place in the transmission of the mails across the Continent by train, and this Government have it in contemplation to send an officer through with the mails between San Francisco and the place of shipment for England. This course was suggested by the New Zealand Post Office, in May, 1874; but Mr. Samuel thought the officers would not be recognized by the American officials, the mails being conveyed under convention with England, and thought that agents at San Francisco and New York would meet the case. Delays up to five days have taken place in the transmission of the mails. Do you concur with us?

ANSWER.

*Re* Mail Officer. I do not think English Government would move American Government to recognize officer, but I am favourable to appointment, if officer properly recognized. The Mail Agent by steamer should be the one to go on with the mails. I think the delay occurs in this