

a postal line from Vancouver to Australia, which was before the Colonial Conference; but you had clearly expressed a doubt, in your letter of 16th March, 1886 (*vide* No. 82, F.-3, 1886), whether a Vancouver line would give New Zealand so good a service as the San Francisco, being without much attraction at present for either passengers or trade.

The discussions on the subject in the Conference were not of a practical character, as you will have seen from my reports to the Premier. * * * * So far as New Zealand was concerned, at any rate, no Vancouver project could have any support which rested on a branch line from Fiji.

Since April, however, events have been tending in a different direction. Strong pressure is being steadily applied in a quiet way in favour of establishing a great postal line to the East, passing entirely, in America, through British territory. It is true that even now there is no definite scheme before the Imperial authorities for a line between Vancouver and Australia, and that the only proposals under consideration relate to a fast line from Vancouver to China and Japan. But this is only a first step in advance, and the Canadian Pacific Railway Company are wisely confining their efforts to it for the present, while reserving the intention of vigorously taking up the Australian line if they succeed in getting a China contract. Then will arise, again, the same situation which we all knew lay behind the talk at the Conference. The Imperial Government will not move until the Australian Colonies have declared themselves, so that it may safely be said that the decision will lie rather with Victoria and New South Wales than with the London Post Office. But no one can say what would happen if a fast line to China and Japan were established with an Imperial subsidy. If I may give my own impression it is that such a line would carry the day, and that its extension to Australasia would only be a matter of time.

In view of the expiration of the present San Francisco contract next year, the importance of the point raised by your telegram of 17th April was, of course, very clear. It would not, however, have been prudent to bring the question forward at that particular time, and it was necessary to be very careful in choosing a proper moment to do so. That time has apparently now come, and I shall presently address the Post Office formally with a request that, if the San Francisco contract is renewed, they should continue to carry your mails for the term of renewal under the existing conditions as to payment of cost and division of postage.

I have, &c.,

The Hon. the Postmaster-General, Wellington.

F. D. BELL.

No. 13.

The Hon. Major ATKINSON to the AGENT-GENERAL, London.

SIR,—

General Post Office, Wellington, 30th November, 1887.

I have the honour to acknowledge the receipt of your letter of the 7th September last, in which you state that you were about to inquire whether the Imperial Post Office authorities would continue to carry the colonial mails between London and San Francisco in the event of a new San Francisco service contract being entered into, and also review the probabilities of a postal line from Vancouver to Australia.

My letter of the 5th instant* will have informed you that we had addressed the Government of Canada on the matter of a Vancouver–New Zealand–Australian line. By next month's mail I shall probably be able to inform you on the nature of the negotiations, if any, Parliament may have authorised the Government to undertake for renewing the San Francisco service, or for establishing a Canadian Pacific line.

I have, &c.,

Sir. F. D. Bell, K.C.M.G., C.B.,

H. A. ATKINSON,

Agent-General for New Zealand, London.

Postmaster-General.

No. 14.

The AGENT-GENERAL to the HON. the POSTMASTER-GENERAL, Wellington.

SIR,—

7, Westminster Chambers, London, S.W., 22nd September, 1887.

In continuation of my letter of the 7th instant, I beg to enclose copy of a letter I addressed to the Imperial Post Office, inquiring whether, in the event of the San Francisco service being renewed for a further term, Her Majesty's Government would continue to carry the New Zealand mails for such further term under the present conditions as to payment of cost and division of postage.

I have, &c.,

The Hon. the Postmaster-General, Wellington.

F. D. BELL.

Enclosure in No. 14.

The AGENT-GENERAL to the SECRETARY, General Post Office, London.

SIR,—

7, Westminster Chambers, London, S.W., 12th September, 1887.

I beg permission to bring the following matter affecting the mail-service *via* San Francisco under the consideration of Her Majesty's Postmaster-General.

It will be in your recollection that in May, 1885, in answer to an inquiry from me whether the then existing postal arrangements for the carriage of the New Zealand mails would be maintained until January, 1888, I was informed that there was no intention of disturbing them before the expiration of the mail contract with the Peninsular and Oriental Company. It is understood that a new contract has been arranged for the continuance of the mail-service *via* Suez, while the present

* *Vide* No. 80.