

Enclosure 3 in No. 51.

Mr. CREIGHTON to the Hon. N. M. Brooks.

SIR,—

San Francisco, California, 27th January, 1891.

I have the honour to acknowledge receipt of your letter, dated the 9th instant, also your despatch of the 26th January, relative thereto. I would have replied to your letter sooner, but was waiting the result of conference between Hon. George McLean, representing the Union Steamship Company of New Zealand, and Mr. Spreckels, President of the Oceanic Steamship Company of California. This conference has since taken place, and the result telegraphed by me to you to-day as follows: "27th January, 1891. Hon. N. M. Brooks, Superintendent Foreign Mails, Washington, D.C. 'Zealandia' withdrawn. 'Monowai' takes mails 5th February. Explanatory letter mailed.—ROBT. J. CREIGHTON."

Referring more particularly to the specific inquiry in your letter, I have the honour to state that the contract with the New Zealand Government for carrying the British-Colonial mail to and from San Francisco, has been in the name and with the Union Steamship Company; but by a business arrangement between the two companies the service has been regularly performed by the Oceanic Company, with the exception of a few trips of the "Mararoa," belonging to the Union Company, when the contract was originally made, in 1885. It was then stipulated that the contract should be a joint one, the Union Company's ships running from Sydney and Auckland to Honolulu, there making connection with the Oceanic Company's steamers, which would complete the voyage to San Francisco. The New South Wales Government refused to participate in a broken service, and insisted upon a through line from Sydney to San Francisco. This was agreed to, and by an agreement between the two steamship companies the Oceanic Company was to run the "Mariposa" and "Alameda," and the Union Company the "Mararoa," with the mails. The "Mararoa" was soon withdrawn, and the Oceanic Company performed the service thenceforward until the dispatch of the "Monowai" with the December mail from Sydney. When the New Zealand office advised you that it had "arranged for the continuance of the San Francisco mail-service for another year," it meant that the contract with the Union Company had been continued on the former basis, without indicating what ships should be employed.

Mr. Spreckels informs me that he understood that the Oceanic steamers should be exclusively employed, and upon that understanding had despatched the "Zealandia" with the October mail from San Francisco. But the Union Company, it appears, had pledged itself to run one of its new ships on the line when the proposal to continue the service was before the New Zealand Legislature, and in consequence of that pledge, and in virtue of a reserved right in its original contract with the Oceanic Company, which it represents in the colonies, the "Monowai" was put into commission as stated in Mr. J. D. Spreckels's letter to which you refer.

I have taken pains to explain, at some length, the exact status of the Australian mail-contract, as far as the New Zealand Government is concerned. No complaint has been made of the Oceanic Company in its performance of the service, but the Postmaster-General of New Zealand has expressed the opinion, in his letter referring to the employment of the "Monowai," that the service would be strengthened in public estimation in the colony if it were a joint one, and not run exclusively by American ships.

The arrangement come to between the representatives of the two companies interested in the contract, is that the Oceanic steamships "Alameda" and "Mariposa" are to run in conjunction with the "Monowai," which takes the place of the "Zealandia," now placed upon the Honolulu line exclusively. This necessitates the issuance of a new time-table, copies of which I enclose herewith. There is no change in the time-schedule of the through Australian line, the only change being in the substitution of the "Monowai" for the "Zealandia." I have given the Postmaster of San Francisco official notice of such substitution, and advised you by telegraph, as above stated.

I have, &c.,

ROBT. J. CREIGHTON,

Agent, New Zealand Government.

Hon. N. M. Brooks,

Superintendent of Foreign Mails, Washington, D.C.

Enclosure 4 in No. 51.

The Hon. N. M. Brooks to Mr. CREIGHTON.

SIR,—

Post Office Department, Office of Foreign Mails, 5th February, 1891.

Referring to my letter of the 16th ultimo, with reference to your communication of the 27th December last, advising this department that, commencing with the present month, the contract mail steamers for Australia will leave San Francisco on Thursdays instead of on Saturdays as heretofore: I have to inform you that the necessary instructions to secure the prompt transfer at, and forwarding from, New York of the British-Australian closed mails were promptly issued by this department; and in connection therewith to transcribe, for your information, the following extract from a report of the Superintendent of the railway mail-service in New York, dated the 2nd instant—viz.: "In connection with the recent announcement of Mr. Creighton, Agent for the New Zealand Government at San Francisco, that the steamers would leave there on Thursdays, presupposing a regular arrival at New York from Great Britain of the British-New Zealand mail on Saturdays by the steamship "Umbria," I have to report that the first trial of the new arrangement is not successful, owing to the late arrival of the "Umbria," due here on Saturday last, the 31st January. This office pointed out to you in a recent report that the past consecutive arrivals of the "Umbria" with mails did not lead to the conclusion that a regular despatch of this mail could be made from New York every fourth Saturday, to connect with the steamer leaving San Francisco about noon the following Thursday. The mail from the "Umbria" arrived at the post-office