

You will notice that clause 6 has been altered so as to relieve your company of expenses in connection with landing or shipping the mails at Tutuila. The other amendments suggested in your note of the 12th February were discussed at our interview the other day; and it was agreed that the penalties should be identical with those provided for in the contract with the New Zealand Shipping Company for the Direct service. The alterations accordingly have been duly made in the present draft.

The Managing Director,
Union Steamship Company of New Zealand (Limited), Dunedin.

I have, &c.,

W. GRAY, Secretary.

No. 59.

Mr. MILLS to the SECRETARY, General Post Office, Wellington.

(Telegram).

Dunedin, 8th April, 1891.

RE clause 16 San Francisco mail contract. Mr. McLean states he never agreed to half cost of overland transport of Homeward mails being borne by contractors. See our letter to Postmaster-General, 18th October last.

No. 60.

Mr. GRAY to the MANAGING DIRECTOR, Union Steamship Company, Dunedin.

(Telegram).

Wellington, 9th April, 1891.

FRISCO contract, clause 16: Please see my reply of 25th October to the letter of 18th from your office. Nothing further from your Company. Understood that when resolutions were framed they were tacitly accepted by Mr. McLean.

No. 61.

Mr. WHITSON to the SECRETARY, General Post Office, Wellington.

Union Steamship Company of New Zealand (Limited),

SIR,—

Dunedin, 17th April, 1891.

With reference to your telegram of 9th instant, *re* clause 16 in the San Francisco mail-contract, our Chairman, Mr. McLean, will be in Wellington on Monday next, and, as the contract was negotiated by him, he will call upon you for the purpose of discussing the clause referred to.

I have, &c.,

W. Gray, Esq., Secretary,
General Post-office, Wellington.

F. W. WHITSON,
(for Managing Director.)

No. 62.

The AGENT-GENERAL to the Hon. the PREMIER, Wellington.

SIR,—

13, Victoria Street, London, S.W., 3rd April, 1891.

I have to acknowledge the receipt of the Postmaster-General's letter of the 24th February (*vide* No. 97).

With regard to that part of the letter saying it would have been impossible to submit any proposal to the House of Representatives until it was known what assistance was to be rendered for the mail-services by the Imperial Treasury, I cannot let this post leave without once more impressing upon the Government the extreme difficulty which that view of the matter will inevitably place in the way of any fresh negotiation that may have to be made on this side. I assure you that if anything has to be done with Her Majesty's Treasury to provide for the expiration of the present temporary arrangements, it will be absolutely necessary that one of two things should be arranged: either that the Government should indicate (as nearly as possible) the nature and extent of the assistance they desire the Imperial Government to give, or that full discretion should be left with the Agent-General to make the best arrangement he can. After what happened last year, when I was obliged to take upon myself the responsibility of settling the matter with the Treasury without any instructions for my guidance, I am persuaded that it would be in vain for me to try it again unless one of the two things is done to which I have just referred.

I have, &c.,

The Hon. the Premier, Wellington.

F. D. BELL.

No. 63.

The Hon. the PREMIER to the AGENT-GENERAL, London.

SIR,—

Premier's Office, Wellington, 28th May, 1891.

I have the honour to acknowledge the receipt of your letter of the 3rd ultimo, with regard to negotiating with the Imperial authorities in connection with the renewal of the ocean mail-services.

I realise the difficulties in which the circumstances of the late negotiations placed you, and sincerely hope they will not recur. You may depend upon receiving the earliest and fullest information and assistance the Government can give.

The Government has already determined to ask Parliament to authorise a renewal, with the present contractors, of the Direct and San Francisco services for a period of three years; and