

No. 42.

The Hon. the POSTMASTER-GENERAL, Wellington, to the Hon. the POSTMASTER-GENERAL, Sydney.

(Telegram.)

Wellington, 25th June, 1900.

SAN FRANCISCO SERVICE: In view of the United States Government having closed with Spreckels for a ten-years contract, under which only American-built vessels shall be employed, it seems to me that the question which we have to consider is whether it is any use now that the American subsidy is secured by Spreckels to obtain competition by tender. This would mean that New Zealand and your colony would have to materially increase their payments; in fact, so far as this colony is concerned, to an amount which we would not be prepared to provide. It is also to be remembered that British-owned vessels are now prevented from trading between Honolulu and San Francisco. While I should very much prefer to see the service given to the Union Company, or to any other Australian-owned line, I am impressed with the almost insuperable difficulties in the way of obtaining such a service. I am of opinion, therefore, that our only course is to negotiate with the line that America has agreed to subsidise. I shall be glad to have your views. It is not possible, in my opinion, for us now to force even one British-owned boat into the service. In view of the general position, and the importance to the colonies of having a fast connection for mails and passengers *via* America, it seems to me that there is nothing left to us but to make such terms with the American line as are satisfactory to our respective colonies. I should like to have your opinion before proceeding further.

No. 43.

The SECRETARY, General Post Office, Wellington, to the MANAGING DIRECTOR, Union Steam Ship Company, Dunedin.

(Telegram.)

Wellington, 26th June, 1900.

FRISCO SERVICE: In view of Spreckels having secured American subsidy from September next, covered by proviso that only American boats are to be used in the service, and of his offer to this Government, Postmaster-General would now be glad to learn your intentions with respect to continuing present service under your contract expiring in March next.

No. 44.

The Hon. the POSTMASTER-GENERAL, Sydney, to the Hon. the POSTMASTER-GENERAL, Wellington.

(Telegram.)

Sydney, 28th June, 1900.

PROPOSED FRISCO service: In view of all the circumstances, my Government not at present disposed to contribute anything towards subsidy.

No. 45.

The Hon. the POSTMASTER-GENERAL, Wellington, to the Hon. the POSTMASTER-GENERAL, Sydney.

SIR,—

General Post Office, Wellington, 10th July, 1900.

I have the honour to acknowledge the receipt of your telegram of the 28th ultimo, informing me that your Government is unable at present to contribute towards any subsidy for the proposed San Francisco mail-service of the J. D. Spreckels and Brothers Company.

I have, &c.,

The Hon. the Postmaster-General, Sydney.

J. G. WARD, Postmaster-General.

LONDON DESPATCH. DEPARTURE FROM AMERICAN PORTS.

No. 46.

The RESIDENT AGENT for NEW ZEALAND, San Francisco, to the SECRETARY, General Post Office, Wellington.

SIR,—

Resident Agency for New Zealand, San Francisco, 12th May, 1899.

Reverting to my communication of the 1st March, 1898 [No. 107, F.—6, 1898], in regard to the limited time permitted to reply to Australian correspondents under the existing schedule for arrivals and departures of the mail-steamers from this port, I now have the honour to enclose for your information correspondence [not printed] received from the Superintendent of Foreign Mails, Washington, D.C., and also copies of communications therein enclosed—all in further reference to this matter.

Will you be kind enough to inform me whether any steps can be taken to mitigate the evil complained of.

I have, &c.,

H. STEPHENSON SMITH, Resident Agent.

The Secretary, General Post Office, Wellington.