

VANCOUVER SERVICE.

No. 16.

The MANAGING DIRECTOR, Union Steam Ship Company, Dunedin, to the Hon. the POSTMASTER-GENERAL, at Christchurch.

(Telegram.)

Dunedin, 30th May, 1905.

THE present position regarding the Vancouver service is as follows: Our offer to Federal Government is to continue *via* Brisbane for subsidy of thirty thousand, being increase of six thousand, of which Canada has agreed to pay one-half; or, as an alternative, to omit Brisbane and call at New Zealand for a subsidy of twenty thousand, allowing us to retain subsidy contributed by New Zealand. In reply to this, Postmaster-General offers renew on present terms *via* Brisbane for one year, with proviso that if notice of termination not given by 30th April next the contract goes on for a second year. We propose to decline this, and urge him to consider alternative proposal *via* New Zealand. In view of this, can we rely on receiving the subsidy of twenty thousand from New Zealand, as has been from time to time verbally indicated?

No. 17.

The Hon. the POSTMASTER-GENERAL, at Hampden, to the MANAGING DIRECTOR, Union Steam Ship Company, Dunedin.

(Telegram.)

Hampden, 30th May, 1905.

IN reply to your telegram *re* Vancouver service: Yes, the New Zealand Government will give twenty thousand pounds per annum for Vancouver mail-service, touching at Auckland or Wellington at the option of the contractors. The period for which a subsidy would be given by New Zealand Government would be three years, or, if you find it necessary to have a shorter period to conform with what you are doing with Australia, there would be no objection to a reduced period. The details of a contract with the New Zealand Government would be subject to ratification by Parliament in the ordinary way, but I should not anticipate any difficulty arising in this respect.

No. 18.

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

(Telegram.)

Wellington, 18th July, 1905.

VANCOUVER service: Do you receive the contributions from non-contracting colonies?

No. 19

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

(Telegram.)

Dunedin, 19th July, 1905.

VANCOUVER service: We do not receive contributions from non-contracting colonies under last contract, but have asked Commonwealth to provide for such payments being made to us under new contract.
