PARCEL MAILS.

No. 106.

The SECRETARY, General Post Office, London, to the Hon. the Postmaster-General, Wellington.

Sir,—

General Post Office, London, 25th May, 1906.

With reference to you letter of the 29th March last [No. 76, F.-6, 1906], I am directed by the Postmaster-General to inform you that, on receipt of your letter of the 19th October last [No. 65, idem] arrangements were made by this office with the Shaw, Savill, and Albion Company and the New Zealand Shipping Company for the conveyance of parcel-mails from this country to New Zealand. No action was taken with regard to parcel-mails from New Zealand, as it was understood that your office desired to make its own arrangements for the conveyance of these mails.

No formal agreement with regard to the outward mails was entered into by this office with the

companies, and the arrangement rests on the correspondence, of which copies are enclosed.

It appears that both companies are prepared to accept payment as from the 1st October last, for the conveyance of parcel-mails from New Zealand to this country at the same rates as those now paid in respect of parcel-mails sent in the reverse direction, and you will, no doubt, wish to arrange the matter with the companies.

I am, &c.,

The Postmaster-General, Wellington.

PERCY Z. ROUND, For the Secretary.

Enclosure 1 in No. 106.

The Secretary, General Post Office, London, to the Secretary, Shaw, Savill, and Albion Company, London.

General Post Office, London, 18th December, 1905. Str.— The arrangement under which the New Zealand Post Office provided for the sea conveyance of parcels sent from the United Kingdom to the colony terminated on the 1st October last, and ance of parcels sent from the United Kingdom to the colony terminated on the 1st October last, and it now falls to this Department to arrange the matter directly with the shipping companies concerned. In these circumstances I am directed by the Postmaster-General to inquire whether your company is prepared to continue to convey parcel-mails from this country for New Zealand at the rate of remuneration which he is authorised to pay for similar services performed in other quarters—namely, 4d. for each parcel not exceeding 3 lb. in weight, 8d. for each parcel exceeding 3 lb. but not exceeding 7 lb., and 1s. for each parcel exceeding 7 lb. but not exceeding 11 lb.

I am to mention that these rates have been readily accepted by other companies to which they have been offered, and the Postmaster-General trusts to learn at an early date that they will likewise be agreeable to yourselves.

I am, &c.,

ARTHUR C. FERARD, For the Secretary.

The Secretary, Shaw, Savill, and Albion Company (Limited).

Enclosure 2 in No. 106.

The SHAW, SAVILL, AND ALBION COMPANY, London, to the SECRETARY, General Post Office, London. Shaw, Savill, and Albion Company (Limited), 34 Leadenhall Street, London, E.C., 30th December, 1905.

Parcels Post to and from New Zealand. SIR,-

Referring to your letter of the 18th instant and to our representative's interview with your Mr. Arthur G. Ferard on the 28th instant, we have, as desired, given full consideration to your request for the continuance of the existing service, but at reduced rates of payment to the carrying vessel.

We beg to point out that in many cases the vessels receiving similar remuneration are also in receipt of mail subsidies; that the packages are very bulky in relation to their weight, and that a corresponding bulk of empty packages has to be brought back freight-free, and often at times

when space Homewards is very valuable.

Considerations of this nature and others to which we need not allude lead us to the conclusion that the rate hitherto paid us is by no means in excess of fair remuneration for services rendered, and that we should hardly have been asked to reduce it.