

## No. 28.

The SECRETARY, General Post Office, Wellington, to the GENERAL MANAGER, Union Steam Ship Company, Dunedin.

SIR,—

General Post Office, Wellington, 19th October, 1908.

Referring to your telegram of the 15th instant, and former correspondence, I have the honour to inform you that the Postmaster-General notes your acceptance of his offer of £7,000 for a mail-service consisting of ten trips Wellington–Rarotonga–Tahiti, calling at Rarotonga on the return voyage. The subsidy is to cover the carriage of New Zealand mails only from Wellington to San Francisco, your company to retain poundage accruing on mails from America and other countries. The service to commence on the 3rd January from Wellington.

I shall be obliged if you will forward me as early as possible a complete time-table. In the meantime I have advised the London, Paris, Washington, and Melbourne Post Offices of the new service. The International Bureau at Berne will also be advised as soon as the time-table is available.

I have, &c.,

D. ROBERTSON, Secretary.

The General Manager, Union Steam Ship Company of New Zealand (Limited), Dunedin.

[P.O. 08/3861.]

## No. 29.

The Hon. the POSTMASTER-GENERAL, Washington, to the Hon. the POSTMASTER-GENERAL, Wellington.  
(Telegram.) Washington, D.C., 20th October, 1908.

MUCH gratified information your cablegram sixteenth [seventeenth]. Will endeavour arrange return service to New Zealand.

[P.O. 08/3861.]

## No. 30.

The HIGH COMMISSIONER to the Right Hon. the PRIME MINISTER.

SIR,—

Westminster Chambers, 13 Victoria Street, London, S.W., 26th October, 1908.

I have the honour to acknowledge the receipt of your cablegram of the 17th October, reading as follows: [See No. 27].

As requested, I have communicated the information therein contained to the Imperial Post Office, and the Post Office of France, in letters of which copies are attached. [Not printed. To London, dated 19th October; to Paris, dated 22nd October.] The Imperial Post Office has duly acknowledged the receipt of the information.

I have, &c.,

The Right Hon. the Prime Minister, Wellington.

W. P. REEVES.

[P.O. 08/3861.]

## No. 31.

The SECRETARY, Chamber of Commerce, Auckland, to the Hon. the POSTMASTER-GENERAL, Wellington.

SIR,—

Auckland Chamber of Commerce, Swanson Street, Auckland, 27th October, 1908.

I am instructed to convey to you the following resolution passed by the Council of this Chamber at its meeting on the 22nd instant:—

“That this Chamber records its strong protest against the action of the Government in specially subsidising the Union Steam Ship Company for a mail line of steamers Wellington to Rarotonga and Tahiti, for which no adequate reason has been shown.”

In support of this resolution I am directed to express my Council's views as follows:—

That, as Auckland is the natural port for both the islands named, the action of the Government is subversive of all true commercial principles, and ought not to have been entered into.

The Island trade has been gradually built up over many years by this city at great sacrifice and serious cost, and, whilst this Chamber can have no objection to Wellington establishing a line of direct steamers of its own, the serious point is that this line of steamers should be subsidised by the Government to the detriment and injury of Auckland, the only natural port for both the Cook and Society Islands, owing to its geographical position.

It has been stated by a number of Government supporters and members of the House that the arrangement entered into is only experimental and will be tried for twelve months, but this Chamber wishes respectfully to point out that, as a fundamental principle of commerce has been broken by the Government by subsidising this line of steamers, to continue the experiment for twelve months is only to aggravate the situation, and perpetuate the great wrong that is being done to merchants in this city and Island-produce traders as a whole.

It has also been stated on the highest authority that the proposed line of subsidised steamers will do Auckland commerce no harm, and will not in any way interfere with the Island trade we have built up over the last 25–30 years; but this argument is thoroughly unsound, as any competitor must injure the trade of this city, more especially when that competitor is unfairly subsidised by the Government.

In conclusion, this Chamber, representing the whole commercial interests of this city and province, begs respectfully that the Government subsidy so unfairly entered into shall cease at the earliest possible date.

I have, &c.,

The Hon. the Postmaster-General, Wellington.

H. J. DENNISTON.

[P.O. 08/3861(3).]