

Enclosure in No. 43.

Mr. TILLEY to Dr. FEATHERSTON.

MR. TILLEY presents his compliments to Dr. Featherston, and begs to submit to him a copy of a telegram which he received at 4.25 this afternoon, purporting to be from Mr. Webb, the contractor for the Mail Packet Service between San Francisco and New Zealand.

In the uncertainty whether this communication is authentic, Mr. Tilley has sent a telegram to the Postmaster-General at Washington, asking whether the steamer has really been withdrawn, and in the meantime has given directions that the mails for New Zealand, which in due course should be despatched to New York this evening, should be kept back.

Mr. Tilley will be much obliged if Dr. Featherston will inform him whether any similar intimation has reached him.

General Post Office, 6th March, 1873, 5.15 p.m.

Sub-Enclosure to Enclosure in No. 43.

WEBB, New York, to POSTMASTER-GENERAL, London.

(Telegram.)

NEW Zealand mail left San Francisco 5th instant. Congress failing to grant subsidy, steamers must be withdrawn. Stop despatch of New Zealand mails *via* San Francisco.

No. 44.

The AGENT-GENERAL to the Hon. the COLONIAL SECRETARY, Wellington.

7, Westminster Chambers, Victoria Street, Westminster, S.W.,
21st March, 1873.

SIR,—

I do myself the honor to forward, for the information of the Government, a copy of my further correspondence with the Colonial Office on the subject of the Mail Service to New Zealand *via* San Francisco.

I have, &c.,

I. E. FEATHERSTON,
Agent-General.

The Hon. the Colonial Secretary, Wellington.

Enclosure 1 in No. 44.

Dr. FEATHERSTON to Mr. HOLLAND.

7, Westminster Chambers, S.W., 14th March, 1873.

Not received.

SIR,— I have the honor to acknowledge the receipt of your letter of 3rd instant, stating that Lord Kimberley had received a Despatch from the Minister of the United States, intimating that the Hon. Mr. Moran would either call upon me, or that His Excellency would favour me with an official interview.

In reply, I have to state that I quite concur in Lord Kimberley's opinion that it would be hardly desirable, at the present stage of the question of postal communication between England and the Australasian Colonies, to make any suggestions or proposals to the United States Minister.

At the same time I beg to remind his Lordship that the New Zealand Government has maintained the San Francisco Mail Service at its sole cost during a period of nearly three years, and is determined, notwithstanding the present collapse of Webb's line, to establish an efficient mail service by that route; and further, that the Australasian Colonies, at the recent Postal Conference in Sydney, have adopted the San Francisco line as an alternating fortnightly mail service with Suez, and have recommended that the Imperial Government should contribute a subsidy of £20,000; and that in adopting this resolution the Conference has complied with the condition upon which Her Majesty's Lords of the Treasury were prepared to reconsider the question of the subsidy which had been virtually promised to the Right Hon. Mr. Childers and myself, last year.

I have the honor, therefore, to submit that it is expedient that I should be informed, with as little delay as possible, whether the Imperial Government is prepared to afford efficient assistance to such a mail service as the one proposed.

I shall in the meantime avail myself of the intimation given to me by the Minister of the United States of his readiness to grant me an interview, as I am aware that it is the desire of the New Zealand Government to maintain and strengthen the relations which have been established by this service between the United States and New Zealand for their mutual advantage.

I have, &c.,

I. E. FEATHERSTON,
Agent-General.

H. T. Holland, Esq., Colonial Office.

Enclosure 2 in No. 44.

Mr. HERBERT to the AGENT-GENERAL.

Downing Street, 20th March, 1873.

SIR,—

I am directed by the Earl of Kimberley to acknowledge the receipt of your letter of the 14th instant on the subject of the Mail Service to New Zealand *via* San Francisco.

Lord Kimberley is glad to learn that you concur with him in thinking that the consideration by Her Majesty's Government of the proposals made by the Conference at Sydney would possibly not be