

1876.
NEW ZEALAND.

SAN FRANCISCO MAIL SERVICE,

(FURTHER PAPERS RELATIVE TO).

(In Continuation of papers presented on the 26th August, 1876.)

Presented to both Houses of the General Assembly by Command of His Excellency.

No. 1.

Messrs. GILCHRIST, WATT, and Co., Sydney, to the Hon. the POSTMASTER-GENERAL, Wellington.

(Telegram.)

Sydney, 21st August, 1876.

PACIFIC Mail Company's cablegram, 13th July, instructs us to negotiate change of route of *via* Honolulu-Auckland: Time to latter, five hundred seventy-four. Honolulu-Bay Islands: Time, five hundred sixty-two. Ten-knot schedule impossible. No coastal service. Subsidy eighty thousand pounds, as steamships employed exceed in power and capacity contract stipulation. Experience shows fixed monthly date sailing be most advantageous to correspondents and passengers, hence ask monthly trips. We beg your favourable consideration of foregoing, and early reply.

The Hon. the Postmaster-General, Wellington.

GILCHRIST, WATT, AND CO.

No. 2.

The Hon. Sir J. VOGEL to Messrs. GILCHRIST, WATT, and Co.

(Telegram.)

Wellington, 23rd August, 1876.

CANNOT understand your telegram *re* modification of service. Please repeat, and add further information, if you have received any. Reply at once.

Messrs. Gilchrist, Watt, and Co., Sydney.

JULIUS VOGEL.

No. 3.

Messrs. GILCHRIST, WATT, and Co. to the Hon. Sir J. VOGEL.

(Telegram.)

Sydney, 23rd August, 1876.

OUR telegram is a copy of the one forwarded from the Pacific Mail Company, New York, on 13th July, to Messrs. Williams, Blanchard, and Co., San Francisco, and advised by them in letter to us. We repeat it *verbatim*:—"Negotiate change of route *via* Honolulu-Auckland: Time to latter, five hundred seventy-four. Honolulu-Bay Islands: Time, five hundred sixty-two. Sydney, six hundred seventy-two. Ten-knot schedule impossible. No coastal service. Subsidy eighty thousand pounds, as steamships employed exceed in power and rapidity contract stipulation. Experience shows fixed monthly date sailing be most advantageous to correspondents and passengers, hence ask monthly trips.—Houston." We have no further information.

The Hon. Sir Julius Vogel, Wellington.

GILCHRIST, WATT, AND CO.

No. 4.

The Hon. Sir J. VOGEL to the Hon. the COLONIAL SECRETARY, New South Wales.

(Telegram.)

Wellington, 28th August, 1876.

APART from cost, which obviously is excessive, can you give me your views respecting offer Pacific Company? Especially say, do you approve calendar month service? Please reply early.

The Hon. the Colonial Secretary, Sydney.

JULIUS VOGEL.

No. 5.

The Hon. the COLONIAL SECRETARY, New South Wales, to the Hon. Sir J. VOGEL.

(Telegram.)

Sydney, 1st September, 1876.

COULD not, for several reasons—amongst others, feeling sure that English Postal authorities would not—concur in proposal for calendar months. We are inclined to view favourably calling Bay Islands and Honolulu, discontinuing New Zealand Coastal Service. Think eighty thousand excessive for this service, but that whatever reduction is made in amount of existing contract should, less reasonable allowance for your coastal service, be divided equally; also, that Fijian correspondence be delivered Bay Islands for postage only.

The Hon. Sir Julius Vogel, Wellington.

COLONIAL SECRETARY.

No. 6.

Messrs. GILCHRIST, WATT, and Co., to the Hon. the POSTMASTER-GENERAL, Wellington.

(Telegram.)

Wellington, 16th September, 1876.

PACIFIC Mail Company confirm telegram 13th July, forwarded to you 21st ult., and request early decision, as consideration of life and property paramount, and demand immediate change. In fact, only two alternatives open to them: Modification to C or Bay Islands route, avoiding difficulties, and Coastal Service, and dangers of Fiji navigation; or entire abandonment of service. Please telegraph your decision, as we are instructed to cable to President without delay, and we fear, unless matters promptly settled, these magnificent ships will be withdrawn from the colonies, as it is better for Contractors to pay forfeit than risk their loss, or continue trade manifestly disastrous.

GILCHRIST, WATT AND CO.

The Hon. the Postmaster-General, Wellington.

No. 7.

The Hon. F. WHITAKER to Messrs. GILCHRIST, WATT, and Co.

(Telegram.)

Wellington, 16th September, 1876.

THE question of Pacific Mail Contract is now being considered by Select Committee of House of Representatives. Will obtain its decision as soon as possible, and advise you.

Messrs. Gilchrist, Watt, and Co.

FRED. WHITAKER.

No. 8.

Messrs. GILCHRIST, WATT, and Co., to the Hon. the POSTMASTER-GENERAL, Wellington.

SIR,—

Sydney, 29th September, 1876.

With reference to your favour of 5th July, in reply to our respects of 29th May, we have again the honor to address you regarding a change in the San Francisco Mail route, and to confirm the telegrams we sent to you on 21st and 23rd August, and 16th instant, of which copies are enclosed herein, as also correct reading of message from letter dated 13th July from the Pacific Mail Steamship Company.

On the 16th instant we had the honor to receive your message—"Question of Pacific Mail Contract is now being considered by Select Committee of House of Representatives. Will obtain decision as soon as possible and advise you"—but have not yet had any further advices on the matter.

We now beg to hand you copies of letters received by last mail from Mr. J. B. Houston, the second Vice-President of the Pacific Mail Company, dated 5th August, and from Mr. W. P. Clyde, the President, dated 8th August, which we hope may receive your attentive and favourable consideration.

We have been in communication with the Government of New South Wales on the matter, and beg to enclose their reply to our latest communication, dated 21st September.

We hope that some early determination may be come to, to avoid the withdrawal from our waters of these magnificent ships of the Pacific Mail Steamship Company, by a change in the route to one of safety, as the recent performances of the steamers have been so successful.

We cabled to you the arrivals at San Faancisco of the "City of New York" on 25th August, and the "Zealandia" on 20th September (the latter advice reached us first), and the sailing of the former vessel from San Francisco on 13th September. It is a satisfaction to observe that the mails were delivered in London on 12th September, two days in advance of schedule time. We have no reply from you yet as to bearing half-cost of such cable advices.

We have, &c.,

The Hon. the Postmaster-General, Wellington.

GILCHRIST, WATT, AND CO.

Enclosure 1 in No. 8.

Mr. J. B. HOUSTON to Messrs. GILCHRIST WATT, and Co., Sydney.

Office of Pacific Mail Steamship Company, No. 6, Bowling Green,
New York, 5th August, 1876.

GENTLEMEN,—

We regret exceedingly to learn, from your favour of June 30th, that no progress has been made in the matter of "change of route," and we now write to urge upon you the necessity of taking such steps as will induce the respective Colonial Governments to decide the matter. The whole subject has already been so fully discussed that it is not now necessary to go over the details, but will herein touch only upon the most obvious reasons for a prompt decision.

The present service cannot be made one of profit if performed in a manner that will give perfect satisfaction to passengers.

The risk of navigating the Fiji group is so great in consequence of an almost entire absence of lights, that it is condemned by underwriters and seamen. In the words of one of the latter, "Should one of these large steamers be caught in a hurricane in the Fijian group, a terrible disaster might result."

We are required to furnish a class of vessels that will not, without great risk, enter harbours at which we are required to deliver the mails.

The impossibility of conducting the service from points so widely distant, without there often times occurring a want of proper connection, causing inconvenience and delay to passengers, and expense and loss of mail pay to Contractors.

As we understand the case from your letters, from conversations with the representatives from both colonies, and from the spirit of the Colonial Press, there is no question of the change being popular with all classes and conditions, and being open to objections from no one.

This being the case, and in view of the great risk the Contractors run, and the large expense entailed upon them by the present route, we feel that it is hardly just to us for the officials to move so slowly in a matter of such vital importance.

We enclose you copy of cablegrams sent in relation to this subject, July 11th, and which we sent also by the "Australia," and beg that you will place the matter in such a light before the Hon. Post-masters-General as to induce a prompt reply.

Very respectfully yours,

J. B. HOUSTON,
Second Vice-President.

Messrs. Gilchrist, Watt, and Co., Sydney.

N.B.—I write you this in order to insure catching the "San Francisco," but the President will return on Tuesday, and will doubtless also write to you on the same subject, as he feels very much chagrined that the Colonial officials have apparently taken little interest in meeting this Company in their efforts to perform a service that, while it will give satisfaction to the colonies, will not entail a heavy loss upon us.

We can with safety assert that, with a few alterations about to be made in the vessels, to adapt them more fully to the peculiar service, it will be the finest sea route in the world; and of course we desire to see some evidence that our efforts are appreciated.

Enclosure 2 in No. 8.

Mr. W. P. CLYDE to Messrs. GILCHRIST, WATT, and Co., Sydney.

Office of Pacific Mail Steamship Company, No. 6, Bowling Green,
New York, 8th August, 1876.

GENTLEMEN,—

I will add to what Mr. Houston has already written you by this mail, that the difference which had arisen between the former management of this Company and the Colonial Governments, respecting the contract which had been entered into between them, had left such a prejudice against the service, that there was a very strong disposition in the new direction to discontinue the service forthwith. This I opposed, as I have very fully explained to your Mr. Watt, whom I had the pleasure of meeting here on his way to England.

My opposition was based upon the conviction that the Colonial Governments had established this service in good faith, with a desire which was shared, as I believed—and in this belief I have been confirmed by Mr. Watts' statements—by the merchants and people of the colonies, to make it a permanent and prominent route between the colonies, our country, and the Home Government. The many advantages which the route presents rendered this view of the case reasonable. The situation appeared to be that a contract had been entered into for the performance of a service which was impracticable, and which appears to have been so regarded by the underwriters and best informed merchants of your colonies; and condemned, when it was made, by the naval officers and seamen of both your own and our country as unsafe. Under the former direction of this Company, an abandonment of this service had been seriously considered, when a modification of the route to the direct C service was permitted, and the service continued.

The necessities of the case present to my mind the following alternatives:—

A modification of the route to what is known as the C route, which avoids the difficulties and dangers of the coastal service and the stopping at Fiji.

The substitution of ships fitted for the coastal service and Fiji navigation, which steamers would scarcely be fit for the long sea service, in place of the popular and able steamers now performing the service.

Otherwise an abandonment of the service.

With every desire to meet the Colonial Governments with perfect fairness, assuming, as before stated, that it is their wish to make this a permanent route, and that it is evident to them that, in order to accomplish this, this service must be, as far as possible, both safe to the travelling public and reasonably profitable to the Contractors, the interests of the Company will compel me to make an early decision as to which of the alternatives it must accept. Consideration for the safety of life and property it would seem should alone have the necessary influence to induce a reasonable change, added to which is the consideration before alluded to, that if the route is to be maintained as a permanent and growing one, it would not be expected that any Government would desire to retain any technical advantages which it might have secured in a negotiation with parties desiring to treat them honorably, through want of knowledge or experience in the service proposed on the part of parties entering into the contract. Considerations so illiberal and narrow as this would be inconsistent with the development of any enterprise of such public importance as this seems to promise. The case strikes me as so reasonable, and the expressions of approbation of the change are so universal upon the part of all the citizens of

your colonies from whom I have heard, that it seems but reasonable that your Government should immediately grant the privilege of the C route, pending the time that may be necessary to secure such action of their respective Parliaments as they may deem necessary. After the foregoing, I need not urge upon you the importance of an early decision of the case. If the cable is working, please communicate by it.

Yours, &c.,
WM. P. CLYDE,
President.

Messrs. Gilchrist, Watt, and Co., Sydney.

Enclosure 3 in No. 8.

COPY OF CORRECT CABLEGRAM FROM PACIFIC MAIL STEAMSHIP COMPANY.

New York, 13th July, 1876.

NEGOTIATE change of route. If *via* Honolulu-Auckland: Time to latter, 570 hours. Sydney, 674. Honolulu-Bay of Islands, 562. Sydney, 670. If ten-knot schedule impossible, no coastal service. Subsidy should be £80,000, as steamers employed exceed in power and capacity contract stipulation. Experience shows fixed monthly date sailings to be most advantageous to correspondents and passengers, hence ask monthly trips.

Messrs. Gilchrist, Watt, and Co.

Enclosure 4 in No. 8.

Mr. LAMBTON to Messrs. GILCHRIST, WATT, and Co.

GENTLEMEN,—

Sydney, 21st September, 1876.

I am directed to state, in reply to your letter dated the 15th instant, that the Postmaster-General is disposed to give due consideration to the representations of the Directors of the Pacific Mail Steamship Company, and that he has placed himself in communication with the Government of New Zealand in reference to the proposals of the Directors, and hopes to be in a position to inform you definitely, before the departure of the next mail, the intentions of this Government in relation thereto.

I have, &c.,
S. H. LAMBTON,
Secretary.

Messrs. Gilchrist, Watt, and Co., Sydney.

No. 9.

Mr. GRAY to Messrs. GILCHRIST, WATT, and Co.

GENTLEMEN,—

General Post Office, Wellington, 7th October, 1876.

I have been directed to acknowledge the receipt of your communication of the 29th ultimo, having reference to the proposed change in the route of the San Francisco Mail Service, and enclosing various copies of correspondence bearing on the subject.

2. I have to inform you that the resolution of the Select Committee of the House of Representatives is now under the consideration of Parliament, and a decision will probably be arrived at on Monday or Tuesday next, which will be at once communicated to you by telegram.

3. I am directed by the Postmaster-General to express regret at the delay which has occurred in this matter.

I have, &c.,
W. GRAY,
Secretary.

Messrs. Gilchrist, Watt, and Co., Sydney.

No. 10.

Messrs. GILCHRIST, WATT, and Co. to the Hon. the POSTMASTER-GENERAL, Wellington.

(Telegram.)

Sydney, 9th October, 1876.

REFERRING to letter twenty-ninth ult.: Please grant permission to our mail steamers *via* Auckland or Bay Islands, pending approval of Parliament of direct service. Otherwise, Pacific Mail Company instruct us to send our mail direct Home to 'Frisko, as they will not again risk their large vessels on coastal service. Please communicate to this Government your decision, as prompt action is necessary, and we think it is generally admitted that it is most undesirable now to allow this important service to be abandoned.

GILCHRIST, WATT, AND Co.,

The Hon. the Postmaster-General, Wellington.

No. 11.

Mr. GRAY to Messrs. GILCHRIST, WATT, and Co.

(Telegram.)

Wellington, 11th October, 1876.

QUESTION Pacific Mail Service comes before Parliament this week. Decision will be communicated as soon as possible.

W. GRAY,
(for Postmaster-General.)

Messrs. Gilchrist, Watt, and Co., Sydney.

No. 12.

Mr. STUART to the Hon. the COLONIAL SECRETARY, Wellington.

(Telegram.)

Sydney, 12th October, 1876.

HOPE that, in obtaining sanction your Parliament to modification mail service, you will secure option to call Bay Islands. Please reply.

The Hon. the Colonial Secretary, Wellington.

ALEX. STUART.
(for Colonial Secretary, Sydney.)

No. 13.

The Hon. F. WHITAKER to the Hon. the COLONIAL SECRETARY, Sydney.

(Telegram.)

Wellington, 13th October, 1876.

GREAT difficulty about coastal service if Bay of Islands port of call. Auckland will probably be fixed. Difference of time to Sydney, few hours only.

The Hon. the Colonial Secretary, Sydney.

FRED. WHITAKER,
Postmaster-General.

No. 14.

STATEMENT showing the NUMBER of DAYS allowed by the OFFICIAL TIME TABLES for the transit of MAILS between London and the undermentioned places, by the Mail Service *via* San Francisco, and the Mail Service *via* Galle and Suez. Also, the shortest TIME in which the Mails have been delivered at or from the respective places by each of the above-mentioned Services.

<i>Via</i> SAN FRANCISCO.			<i>Via</i> BRINDISI.			<i>Via</i> SOUTHAMPTON.		
Place.	Contract Time, No. of Days.	Shortest Time, No. of Days.	Place.	Contract Time, No. of Days.	Shortest Time, No. of Days.	Place.	Contract Time, No. of Days.	Shortest Time, No. of Days.
Sydney ...	48	46	Sydney ...	49	47	Sydney ...	56	54
Auckland ...	45	41	Auckland ...	60	55	Auckland ...	67	63
Wellington ...	49	45	Wellington ...	56	51	Wellington ...	63	59
Dunedin ...	51	48	Dunedin ...	53	49	Dunedin ...	60	57

By proposed alteration, time for delivery of New Zealand mails will be shortened by between one and two days.
General Post Office, Wellington, 28th September, 1876. W. GRAY.

By Authority: GEORGE DIDSBURY, Government Printer, Wellington.—1876.

