

"Claim of Foster and Thomson.

"New York, 20th January, 1877.

"DEAR SIRS,—In this matter we desire you to make suit against the New Zealand Government, in case of non-payment of amount deducted on account of the above.

"Messrs. Foster and Thomson did not represent us but the Government, and we were not parties to their employment.

"We were represented by and paid our own counsel, and cannot submit to having any expense for their behalf saddled upon this Company.

"I have, &c.,

"AMOS ROGERS, Second Vice President."

We have, &c.,

GILCHRIST, WATT, AND Co.,

General Agents for the Contractors, San Francisco Mail Service.

The Hon. the Postmaster-General, Wellington.

No. 51.

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

GENTLEMEN,—

General Post Office, Wellington, 31st March, 1877.

I am directed by the Hon. the Postmaster-General to acknowledge the receipt of your communication of the 9th instant, embodying the substance of a letter received by you from the head office of the Pacific Mail Steamship Company, dated the 20th of January last, in which you are directed to make suit against this Government, in the event of the further withholding of the sum deducted from the subsidy payable to the Contractors in the month of July last, being a moiety of the account of Messrs. Foster and Thomson, of New York, for arranging the legal preliminaries of the present contract.

In reply, I am directed to inform you that the correspondence on this subject was sent home to the Agent-General for New Zealand in the month of January last, with instructions to confer with Messrs. John Mackrell and Co., the solicitors in London for this Government, and to effect, if possible, an amicable and early settlement of the matter.

I have, &c.,

W. GRAY,

Secretary.

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

No. 52.

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

SIR,—

Sydney, 30th April, 1877.

We have the honor to acknowledge the receipt of your letter of 31st March, with reference to Messrs. Foster and Thomson's claim for law costs, and informing us that the correspondence herein had been forwarded to your Agent-General in London with a view to an early settlement.

We forward copy of your letter by the out-going mail to the Pacific Mail Steamship Company, New York.

We have, &c.,

GILCHRIST, WATT, AND Co.,

General Agents for the Contractors, San Francisco Mail Service.

The Hon. the Postmaster-General, Wellington.

No. 53.

Mr. LAMBTON to the SECRETARY, General Post Office, Wellington.

(Telegram.)

Sydney, 8th May, 1877.

REFERENCE to your letter 29th July, 1876,* please inform whether you actually deducted from your payment to Pacific Mail Company the £59 12s. 3d. which formed your share of payment to Foster and Thomson of New York, and what action you have taken in regard to Contractors' protest against being charged with the amount.

The Secretary, General Post Office, Wellington.

S. H. LAMBTON.

No. 54.

Mr. GRAY to the SECRETARY, General Post Office, Sydney.

(Telegram.)

Wellington, 8th May, 1877.

DEDUCTION actually made. Amount in full paid Mackrell for Foster and Thomson. Protest referred Agent-General to settle matter amicably; Gilchrist informed.

The Secretary, General Post Office, Sydney.

W. GRAY.

No. 55.

Mr. GRAY to the SECRETARY, General Post Office, Sydney.

SIR,—

General Post Office, Wellington, 23rd May, 1876.

I am directed by the Postmaster-General to request that the share due to this colony, on account of correspondence received and despatched by the San Francisco Mail Service by non-