the claim has, however, been settled, the Postmaster-General is content that the matter should not be disturbed; but, speaking generally, this Department would desire that all claims against the colony in connection with the San Francisco Service should be first submitted for consideration.

I have, &c., W. GRAY,

Secretary.

## No. 3.

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

Sydney, 9th January, 1878.

SIR,---I have the honor to acknowledge the receipt of your letter, dated the 12th ultimo, stating that the Postmaster-General of New Zealand is of opinion that the claim for £99 14s. 6d. for law costs, telegrams, &c., preferred against your Department, should not have been made, and desiring that in future all claims against New Zealand in connection with the San Francisco Mail Service may be first submitted for consideration.

In reply, I have to intimate that the course desired by you will be adopted henceforth.

I have, &c.

The Secretary, General Post Office, Wellington.

The Secretary, General Post Office, Sydney.

S. H. LAMBTON,

Secretary.

## No. 4.

## Mr. CREIGHTON to the SECRETARY, General Post Office, Wellington.

San Francisco, California, 5th November, 1877.

SIR, I beg to enclose, for your information, draft of letter forwarded to Sir Julius Vogel relative to the departure and arrival of the Australian and New Zealand mail, and to request your attention to I have likewise written to Mr. Thomas Russell, requesting his co-operation and assistance. the same.

I think it is absolutely necessary to accelerate the mail, if the California route is to be main-Two days may be saved at this end by despatching the steamer on arrival of mail; at least tained. twelve, it may be twenty-four, hours might be saved on up and down voyage; and, as explained in my letter to the Agent-General, the overland journey may also be considerably expedited. On these points I have dwelt in accompanying letter, and therefore need not repeat. I shall apprise you of the result of my interview with the President of the Central Pacific Railroad. Meanwhile I shall communicate with the Chairman of the United States Postal Commission generally on the subject of accelerating the mail rate of speed across the continent, and also with reference to the postal charges on mail matter in transit. The Commission has not yet reported, and I am anxious for a recommendation on the subject.

I have not taken any action relative to postal convention because I have no status, and any communication on my part would be of no practical value. Had I been empowered to act New Zealand newspapers and printed matter would long since have been exempt from postage.

You will perceive from my letter to Sir Julius Vogel that the Postmaster of San Francisco has promised to aid in every possible way the prompt despatch of the New Zealand and Australian mail, and I have undertaken that, should occasion require, the New Zealand Postal Agent shall travel express with the mail, making transfer *en route* to the United States Railroad Mail Agent, and returning to San Francisco, on the understanding that no extra charge be incurred. Mr. Cheeseman did so last mail, and by his promptitude and business capacity insured the final success of the experiment to serve Wednesday's boat from New York, although his mail was landed two hours after the overland mail started from Oakland.

I have therefore to request that you will instruct the Mail Agents to this effect in future, as on their prompt acquiescence and assistance much necessarily depends. Your co-operation on the other points noted in my letter to the Agent-General and in this communication is essential. It may be necessary to communicate with the Agent-General, and to obtain the assent of the New South Wales Government to the necessary modifications of time-table; also in respect of accelerating the speed on the voyage to and from the colonies. Everything must depend upon proving that the California route is the quickest, or it will not command the support of Australia, with its growing Eastern and Cape interests. Merchants here are becoming alive to the importance of the service, as opening up new commercial relations; and the colonies have no stronger friends or warmer advocates than the agents of the Pacific Mail Company, Messrs. Williams and Blanchard. Indeed it is to Captain Williams the credit is due of obtaining a special train, and sending on the Australian mail. In these matters I am simply advisory, having no authority to act.

Be good enough to bring this subject before the attention of the Postmaster-General, with the view of taking prompt action.

The Secretary, General Post Office, Wellington.

ROBT. J. CREIGHTON.

Enclosure in No. 4.

Mr. CREIGHTON to the AGENT-GENERAL for NEW ZEALAND, London.

SIR,-

San Francisco, California, 2nd November, 1877.

I have the honor to state that, by appointment with the Postmaster of San Francisco, I waited upon the agents of the Pacific Mail Steamship Company to-day relative to the question of