

1878.

NEW ZEALAND.

SAN FRANCISCO MAIL SERVICE

(FURTHER PAPERS RELATIVE TO).

(In Continuation of Papers presented on the 6th December, 1877.)

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

No. 1.

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

SIR,—

Sydney, 21st November, 1877.

In reply to the request contained in your letter, dated the 24th ultimo (F.—4B., 1877, No. 14), I have the honor to forward herewith a statement, giving full particulars of the items for law costs, telegrams, &c., which make up the amount of £99 14s. 6d. debited to New Zealand in the statement of account furnished to you in my letter dated the 13th of June last.

I have, &c.,

S. H. LAMBTON,
Secretary.

The Secretary, General Post Office, Wellington.

Enclosure in No. 1.

PARTICULARS of Law Costs, Cablegrams, &c., in connection with the San Francisco Mail Service, paid by New South Wales.

	£	s.	d.	£	s.	d.
Crown Solicitors' costs in taking counsel's opinion <i>re</i> Hall and Forbes' Contract, in August, 1874	5	10	0			
Crown Solicitors' costs, &c., second payment	5	10	0			
Australasian Steam Navigation Company, for cablegrams in connection with steamship "Macgregor" bringing on the mails from San Francisco for New Zealand and New South Wales, from 3rd to 10th November, 1875	41	5	10			
Gilchrist, Watt and Co., cablegrams in connection with the New Pacific Mail Service, from 26th October to 1st November, 1875	40	0	4			
Australasian Steam Navigation Company, demurrage of steamship "City of Melbourne" at San Francisco, in March, 1875, in excess of time allowed per agreement, one day at £3,000 per lunar month	107	2	10			
						199 9 0
New South Wales, one-half	99	14	6			
New Zealand, one-half	99	14	6			

General Post Office, Sydney, 16th November, 1877.

R. A. N.,
Accountant.

No. 2.

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

SIR,—

General Post Office, Wellington, 12th December, 1877.

I have the honor to acknowledge the receipt of your communication of 21st ultimo, in reply to mine of the 24th of October last, enclosing a statement, giving full particulars of the items for law costs, telegrams, &c., which make up the amount of £99 14s. 6d. debited to this colony in the statement of account forwarded from your office on the 13th of June last, and, in reply, I am directed to inform you that the Postmaster-General is of opinion the claim for law charges should not have been made against this Department. Legal opinions obtained in this colony in connection with the San Francisco Service have not formed a matter of account between the two Governments. As

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.

The Secretary, General Post Office, Sydney.

No. 3.

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

SIR,—

Sydney, 9th January, 1878.

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.,

S. H. LAMBTON,

Secretary.

The Secretary, General Post Office, Wellington.

No. 4.

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

SIR,—

San Francisco, California, 5th November, 1877.

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 the same. I have likewise written to Mr. Thomas Russell, requesting his co-operation and assistance.

I think it is absolutely necessary to accelerate the mail, if the California route is to be maintained. Two days may be saved at this end by despatching the steamer on arrival of mail; at least 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

accelerating the New Zealand and Australian mail. Captain Williams received us courteously, and took a warm interest in the subject, explaining to us the steps taken by himself and principals in New York to expedite the mail by the s.s. "Australia," which arrived on the 17th ultimo, two hours after the departure of the overland train. The mail was transferred at once to the Oakland Station by the co-operation of the Postmaster here, and a special train was despatched with the mails on board in charge of the New Zealand Mail Agent, which overtook the overland train at Sacramento. The transfer of mails took place at this point, the United States Railroad Mail Agent taking the Australian and New Zealand mails in charge. I attach newspaper extract detailing subsequent course of mail, which was placed on board the "Abyssinia" at New York, through the energy of the Pacific mail people, in time to save at least two days on schedule time. Captain Williams further explained to us that he had telegraphed to New York to ascertain whether it was not possible to arrange to save two days on this side by despatching the mail on arrival, usually Mondays, instead of on Wednesdays, the mail lying here that period when it might just as well be at sea.

It appears that, owing to one ticket having been sold in London for the December boat, unless it could be changed, the December steamer would sail hence on the 5th, instead of the 3rd, as the agents contemplated doing, thus saving two days in time from London to the colony; but he said that arrangements would positively be made for sailing two days in advance of schedule time on the outgoing January mail.

No difficulty need be experienced in this matter, and I think that the proposed arrangement should be carried out. If not, by changing the day of departure from London the advantage of two days' time might be given to Home correspondents, which is lost to them and the colonists under present arrangements.

Another question arose, namely, whether the mail could not be accelerated *en route* between the colony and this country, and Captain Williams promised to give consideration to the subject, and to write to New York and the agents on the point. It does appear to me that the voyage might be considerably shortened as to time on this side, the deviation from the Fiji route being a gain which should be utilized for public advantage.

There still remain two points which require attention: one is the Atlantic connection, the other the railroad transit across the continent. The first you may be able to deal with in such manner as may result in a still further saving of time—*i.e.*, by selecting, in all practical cases, fast steamers. The railroad difficulty is not, however, so easily overcome. I shall, however, have an early consultation with Governor Stanford and the Managers of the Central Pacific Road; and I think I may venture to say that, so far as their line is concerned, there will be no objection to running a fast mail train without extra cost. The presentation of commercial reasons will bring this about, I doubt not; and, as I am co-operating in this matter to some extent with the United States postal authorities, I anticipate a favourable issue. Twelve hours might be saved easily on the Central Pacific line. Other influences must be used with the remaining railroads' management to secure their co-operation, and I am aware the commercial men here are pressing the subject upon the attention of the Postmaster-General at Washington relative to a general acceleration of mail time with the East. However, should twelve hours be saved on the transcontinental journey, advantage of it would be taken by the steamship company on this side, as the steamer would be ready to sail, night or day, after the arrival of the mail here. Passengers would have notice of this fact, and the United States mail would be made up here in anticipation of it. The European mail could be transferred from the train to the steamer without passing through the San Francisco office, as a post office official would be detailed to see it properly done. General Coey, Postmaster of San Francisco, is very much interested in this question, and promises to co-operate in every practicable way.

Commercial intercourse between this country and the colonies is steadily increasing. The "Australia" goes down a full ship, and shuts out cargo. Indeed, this is true of most steamers recently. Now, with the Cape of Good Hope route opened, it is doubly necessary to prove the superiority of the Californian service for mail and travel.

I have to request your attention to this question therefore in London, and thereby enable the Contractors to make such arrangements as shall insure the saving of at least two days' course of post between London, San Francisco, and the colony, and to take advantage of such further saving of time as, by accelerating the railroad speed and the time on the voyage from Auckland and Sydney, may be possible of accomplishment.

I have written briefly to Mr. Thomas Russell on this subject, having had a conversation with him relative to it when passing through for London. I shall also send draft of this letter to the Postmaster-General of New Zealand, with other papers relative to the mail service.

I have, &c.,

The Agent-General for New Zealand, London.

ROBT. J. CREIGHTON.

No. 5.

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

SIR,—

San Francisco, California, 6th November, 1877.

In my previous letter I may not have been sufficiently explicit. I desire, however, to supplement what I therein stated after consultation with Mr. Dougherty, the very efficient Deputy Postmaster of San Francisco.

Relative to the dates of sailing at the termini: It is absolutely necessary that there should be a fixed date for sailing from London, San Francisco, Sydney, and Auckland; and, although the project of sailing from San Francisco on arrival of mail at uncertain and indeterminate dates may do very well as an experiment, it will not suit the travelling public. Men who cross the Atlantic and American Continent want a few hours' rest before commencing a 7,000 to 8,000 mile voyage. Wherefore, if the London date of departure was put back two days, and the mail was despatched by Inman

steamers, it would arrive here on Tuesday evening (accidents excepted) in time to sail at noon on Wednesday, always supposing that Wednesday be fixed as the day of departure, giving ample time for rest and refreshment. If, however, the transcontinental journey were accelerated twelve or twenty-four hours, the date of departure might be fixed correspondingly earlier. A delay of two days now occurs. Better give the London correspondents the benefit. A change of Atlantic steamers will effect that object.

The time of departure from Sydney might also be postponed, stipulating for a higher rate of speed, provided always that the mail steamer arrived at San Francisco on Friday evening, and the overland mail leaving here on Saturday morning, arriving in time to catch the steamer from New York, sailing on Saturday. In the ordinary course of post, were this change made, the time would be accelerated, and the colonies and Home country derive the benefit of the time now wasted in San Francisco and New York respectively. Moreover, the through service might be completed in forty or forty-one days. The "Australia's" mail was landed in London in forty-two days from Sydney.

I write in great haste, in the hurry of my own business, and can therefore only indicate what I mean, and what Mr. Dougherty, after years of postal experience, suggests.

To save time in transferring mails from steamer to train, in case of tight fit as to time, I would suggest that instructions be given to the Mail Agent to bring his mail on deck in sufficient time to check it over and prepare way-bills before arrival in harbour. Time would be saved, and confusion and difficulty avoided at all times. But it is imperative that instructions be given to the captains of steamers that they shall place every facility at his disposal—that they shall not put it off, and throw everything to the last minute, which they usually do, on the plea of necessity for working the ship. Moreover, when the mail has been checked on deck, it should be covered, and remain there until passed direct to the railroad train or post office, as the case may be. I have consulted Mr. Cheeseman, your Mail Agent, who recommends this course; also Mr. Dougherty, who declares it absolutely necessary. And my own observation and judgment commend it.

It is necessary that New South Wales should co-operate. It can do so by enclosing all the other Australian mails in Sydney bags, keeping a separate account, and enabling the transfer of mails to be made simply and without delay. Now, Perth, Queensland, &c., have separate mails, with separate way-bills, &c. The New Zealand Mail Agent has to attend to all these, to preserve the reputation of the service for accuracy. Why should not New South Wales take this burden upon itself, as it sends no Mail Agent?

Please bring these points before the Postmaster-General, and communicate with New South Wales Government on the subject. If the Sydney office made up a separate San Francisco and California mail bag, as you do, it would be esteemed a great favour in the post office here. You might suggest this.

Excuse this hasty letter.

W. Gray, Esq., Secretary, General Post Office, Wellington.

I have, &c.,

ROBT. J. CREIGHTON.

No. 6.

Mr. GRAY to Mr. CREIGHTON.

SIR,—

General Post Office, Wellington, 15th December, 1877.

I have the honor to acknowledge the receipt of your communications of the 5th and 6th ultimo, relative to various matters in connection with the San Francisco Mail Service, and I have to convey to you the thanks of the Postmaster-General for the valuable suggestions put forth in your letters, and to assure you of his appreciation of your efforts to place the service on a more satisfactory footing.

Owing to a pressure of sessional work your communication have not as yet received from the Postmaster-General that consideration which they merit, and I am unable, therefore, to reply in detail by the present mail to the various points brought under notice.

The suggestion relative to the Mail Agent accompanying the train in cases where the mails are specially sent on, to overtake the previous through train, has been brought under the notice of the Mail Agents, who will consult with you in the matter.

I enclose for your information a copy of the San Francisco and Suez time-tables for 1878, from which you will observe that the departures from the colonies are so arranged that the San Francisco and Brindisi routes shall, as nearly as possible, alternate. You will also observe that the departure from London of the mails *viâ* San Francisco is fixed for Thursday, and from San Francisco for Monday.

A copy of your letter of the 5th ultimo, with enclosures, will be forwarded to Sydney, and the New South Wales Government will be invited to co-operate in effecting the various improvements indicated by you.

R. J. Creighton, Esq.,

Resident Agent for New Zealand, San Francisco.

I have, &c.,

W. GRAY,

Secretary.

No. 7.

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

SIR,—

General Post Office, Wellington, 10th January, 1878.

I have been directed to forward you, for the information of the Postmaster-General of New South Wales, copies of communications recently addressed by Mr. R. J. Creighton, the Resident Agent at San Francisco for this Department, to the Agent-General at London, and to myself.

A perusal of these letters, taken in connection with your communication of the 27th September last (F.—4b., 1877, No. 5), will show that the points raised in your letter have also been receiving consideration at San Francisco; and that the Pacific Mail Steamship Company, as well as the San

Francisco postal authorities, are disposed to take a lively and practical interest in promoting the efficiency of the San Francisco mail route.

There is little doubt that if joint representations were made to the Contractors great improvements could be effected.

The various points to which Mr. Creighton refers in his letters may be summarized as follows:—

1. That the mail steamers should be despatched from San Francisco immediately on the arrival of the London mails from New York.
2. That the time at present occupied in the transcontinental journey admits of being considerably shortened.
3. That a postponement in the day of departure from Sydney might be arranged, contingent upon an increased rate of speed being maintained, which would secure the arrival of the mail steamers at San Francisco on Friday, in time for the through train of Saturday morning.
4. That the Atlantic connection might be improved.
5. That all the Australian mails should be enclosed in Sydney bags, with a view to simplify the operation of checking the transfer of the mails, and at the same time lessen the number of way-bills.
6. That, in cases where the mail steamers may arrive late for the through train, and a possibility may exist of overtaking it, a special mail train should be engaged; and that the New Zealand Mail Agent should go forward in charge of all the colonial mails, and see them safely transferred to the through train.

Mr. Creighton having dealt with each head in detail, it will be unnecessary that I should enlarge upon each in the present communication. I would state, however, with reference to the suggestion No. 5, that our Mail Agents have been instructed to have all mails in readiness for transshipping prior to the arrival of the mail steamers at San Francisco, and, if necessary, to accompany any special train, and superintend the transference of the mails to the through train. I trust that these arrangements will commend themselves to the favourable consideration of your department.

The Postmaster-General will be glad to receive an expression of opinion from your Department on the foregoing suggestions at an early date.

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

The Secretary, General Post Office, Sydney.

No. 8.

The AGENT-GENERAL to the Hon. the POSTMASTER-GENERAL.

SIR,—

7, Westminster Chambers, London, S.W., 4th December, 1877.

I have the honor to enclose copy of a communication I have received from Mr. Creighton, of San Francisco, regarding certain steps which have been taken in America for accelerating the mail service. I also enclose copy of my reply, expressing my sense of Mr. Creighton's exertions, and advising him that the correspondence will be submitted to the Government.

I have, &c.,
JULIUS VOGEL,
Agent-General.

The Hon. the Postmaster-General, Wellington.

Enclosure in No. 8.

The AGENT-GENERAL to Mr. CREIGHTON.

SIR,—

29th November, 1877.

I have the honor to acknowledge the receipt of your letter of 2nd instant, respecting the steps which have been taken for accelerating the New Zealand and Australian Mail Service.

I have read your letter with much interest, and am sure the Government will be gratified with your exertions.

I will send to the Government a copy of your letter and my reply.

I find from the Agents here that, to the best of their knowledge, arrangements are completed to enable the outward mails to leave San Francisco immediately on their arrival there. Regarding the arrangement for shipping the mails from New York, the two Governments have well considered the question of the boats they desire to be used, and I believe the Post Office is well acquainted with their views.

I have, &c.,
JULIUS VOGEL,
Agent-General for New Zealand.

R. J. Creighton, Esq., San Francisco.

No. 9.

The Hon. Mr. FISHER to the AGENT-GENERAL.

SIR,—

General Post Office, Wellington, 12th February, 1878.

I have the honor to acknowledge the receipt of your communication of the 4th December last, enclosing copy of a letter you had received from Mr. Creighton, of San Francisco, regarding certain steps which had been taken in America for accelerating the San Francisco Mail Service, together with a copy of your reply to Mr. Creighton.

Letters of a similar tenor were also addressed by Mr. Creighton to this office, copies of which were forwarded to Sydney, and the postal authorities of that colony invited to co-operate in giving effect to Mr. Creighton's recommendations.

The Agent-General for New Zealand, London.

I have, &c.,

J. T. FISHER.

No. 10.

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

SIR,—

San Francisco, California, 20th January, 1878.

I have the honor to inform you that the steamship "City of Sydney" arrived early on the 10th, but, owing to the fog, was unable to land the mail until after the departure of the overland train. The Agents of the Contractors lost no time in forwarding the mail per special train, which overtook the mail train about one hundred and fifty miles from this city, when the transfer was made by Mr. Andrews, New Zealand Mail Agent, who travelled by the express. This was done by the Contractors outside the requirements of their contract, and entitles them to consideration by the Governments of New Zealand and New South Wales. I may here state that the Pacific Mail Company have a standing arrangement with the Central Pacific for a special train on the arrival of each Australian steamer, if necessary. This costs a good deal of money, inasmuch as the entire line must be cleared for the express train, and the switches altered, to say nothing of the extra rate of speed. If necessary, the special express train, with the Australian mail, would run through to Ogden, the last point on the Central Pacific track.

Mr. Andrews displayed great energy and promptitude, and is entitled to credit for what he has done. I think that this case and that of the "Australia," in which Mr. Cheeseman took the initiative, prove the desirability of sending experienced officers in charge of your mail.

I saw the Agents yesterday, and there saw a telegram from New York, dated on the 17th instant, in which they were informed that the Australian and New Zealand mail had arrived safely, and would sail same evening for England per "Celtic," a fast steamer. Should no accident occur to the steamer, the mail will arrive in London within schedule time. But for the Agent's promptitude the mail could not have left New York before the 19th.

I have not had leisure to give the new time-table attention, but will devote time and attention to it and other matters affecting the mail service, and especially with the view of accelerating the rate of speed. I think thirty-seven days can be improved upon.

* * * * *

I have, &c.,

ROBT. J. CREIGHTON.

The Secretary, General Post Office, Wellington.

No. 11.

Mr. GRAY to Mr. CREIGHTON.

SIR,—

General Post Office, Wellington, 29th March, 1878.

I have the honor to acknowledge the receipt of your letter of the 20th January last, acquainting me of the action taken by Messrs. Williams, Blanchard, and Co., Agents at San Francisco for the Pacific Mail Steamship Company, in putting on a special train to overtake the through train which had started from San Francisco eastward some hours prior to the arrival of the "City of Sydney" on the 10th January, and reporting that the mail train was overtaken one hundred and fifty miles east of San Francisco.

In reply, I am directed to inform you that the Government duly appreciates this and other similar services rendered by the San Francisco Agents of the Contractors, in the interests of the contracting colonies, and that Messrs. Williams, Blanchard, and Co. have been specially written to by this mail, thanking them for their exertions in this direction, which have, on many occasions, tended to considerably expedite the arrival of the homeward mails in London. I am also directed to convey to you the thanks of the Postmaster-General for your own exertions in this matter.

Should you consider that any special thanks are due to the San Francisco postal authorities, perhaps you will be good enough to convey to them by letter, in suitable terms, the acknowledgments of this department for their good offices.

* * * * *

I have, &c.,

W. GRAY,

Secretary.

R. J. Creighton, Esq.,

Resident Agent for New Zealand, San Francisco.

No. 12.

Mr. GRAY to Messrs. WILLIAMS, BLANCHARD, and Co.

GENTLEMEN,—

General Post Office, Wellington, March 29th, 1878.

The Resident Agent at San Francisco for this colony, Mr. R. J. Creighton, having brought under the notice of this department the prompt and effectual measures adopted by you in the engagement, on several occasions, of special trains, with a view of expediting the transit of the Australian and New Zealand mails to New York, I am directed by the Hon. the Postmaster-General to convey to you the thanks of this department for your praiseworthy efforts in this direction, and which have on several occasions resulted in accelerating the arrival in London of the colonial mails.

It is gratifying to know that the Contractors have the interests of the contracting colonies so much at heart, and it is to be hoped that the energetic action under notice, while enhancing the value

of the present service as a mail route, will also tend to increase the popularity of the line as a travelling medium.

I have, &c.,

Messrs. Williams, Blanchard, and Co.,
Agents for the Pacific Mail Steamship Company, San Francisco.

W. GRAY,
Secretary.

No. 13.

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

SIR,—

Sydney, 12th April, 1878.

I have the honor to acknowledge the receipt of your communication of the 10th January last, forwarding copies of correspondence recently addressed by Mr. R. J. Creighton, the Resident Agent of your Department at San Francisco, to Sir Julius Vogel and yourself, and am directed by the Postmaster-General to reply as follows to the various points mentioned in the 4th paragraph of your letter, viz. :—

No. 1. Arrangements were concluded (after consultation by telegram with the Postmaster-General of New Zealand) with Mr. Houston, during his visit here in August last, to have the Pacific mail steamers despatched from San Francisco immediately on the arrival of the London mails from New York, instead of waiting until the date specified in the time-table.

No. 2. It is thought that Mr. Creighton is, under existing circumstances, doing all that is practicable to shorten the transit of mails across the continent of America. It will, no doubt, be borne in mind that, so long as this matter is dealt with between the Imperial Government and the United States, it is difficult for the colonies to interfere with the question, and highly problematical whether any practical result would be arrived at.

No. 3. The question of the postponement of the steamer at Sydney, contingent upon an increased rate of speed being maintained, would seem to require a definite expression of opinion from the Contractors on the latter point, and it would perhaps be desirable, if the Agents of your Government who accompany the steamers every month consider an acceleration of speed practicable, to open up communication with the Contractors on the subject. Perhaps you will kindly obtain reports from your Mail Agents.

No. 4. Before improving the Atlantic connection, it is thought, as already expressed (*vide* No. 2), that the colonies should have more control over the whole service; but at the same time it is not perceived that there is much cause for complaint of delays in transit, and Mr. Burns is of opinion that the San Francisco Service—as yet only in its infancy—will compare favourably with the old-established Galle and Suez line; but of course it would be very desirable to remove whatever unnecessary delays do occur.

No. 5. All Australian mails will, in future, be enclosed in Sydney bags, as requested.

No. 6. This Department quite approves of the suggestion that, in cases where the mail steamers may arrive late for the through train, and a possibility may exist of overtaking it, a special mail train should be engaged, and that the Mail Agent of your Department should go forward in charge of all the colonial mails, and see them safely transferred to the through train, being carried out whenever necessary.

It is stated in your communication under notice that there is no doubt that, if joint representations were made to the Contractors, great improvements could be effected; but this is scarcely clear, as the contract being only for the conveyance of mails between New South Wales, New Zealand, and San Francisco, it seems that only two out of the six points submitted in any way concern the Contractors. The first of these, No. 1, has already been dealt with, and the other, relating to the acceleration of speed of the Contractors' steamers, can, as already stated, be referred to them, if thought advisable.

I have, &c.,

S. H. LAMBTON,
Secretary.

The Secretary, General Post Office, Wellington.

No. 14.

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

SIR,—

General Post Office, Wellington, 20th July, 1878.

I am directed to acknowledge the receipt of your letter of the 12th April last, in reply to mine of the 10th January, communicating certain suggestions in connection with the San Francisco Mail Service, made to this Department by Mr. R. J. Creighton, of San Francisco.

Taking *seriatim* the replies made by you, I have to remark as follows :—

- (1.) *The Despatch from San Francisco.*—That while arrangements had been concluded with Mr. Houston in August last, as stated by you, to despatch the Pacific mail steamers from San Francisco immediately on the arrival of the London mails from New York instead of waiting until the date specified in the time-table, such arrangements, I would point out, have been devoid, with one exception, of any practical results. As a case in point, I may mention that the Mail Agent who left San Francisco in April last, per "Zealandia," reports that the inward English mails arrived at San Francisco on the 14th April, but that the mail steamer did not sail for Auckland until the following day at noon.
- (2.) *The Trans-Continental Journey.*—It is still believed that, were joint representations made by the Colonial Governments to the Contractors, aided by the personal efforts of Mr. Creighton, they would be productive of satisfactory results, more especially as the Pacific Mail Company must, from the magnitude and scope of their transactions, be

largely interested in the trans-continental railway, and therefore have considerable influence in its management.

- (3.) *Acceleration of Speed in Trans-Pacific Voyage.*—There seems to be every reason for believing that an accelerated speed could be maintained by the boats at present employed in the service, as they generally on the upward voyage make the run one day more or less in advance of the contract time, and not infrequently reach Auckland in advance of the due date.
- (4.) *The Atlantic Connection.*—Although the Imperial Government has selected for the current year the fastest trans-Atlantic steamers for the conveyance of the mails from the United Kingdom to New York, the Postmaster-General is of opinion that proper representations might result advantageously to the service by securing the consent of the Imperial Post Office authorities to make permanent arrangements for the employment of only the very fastest steamers for the conveyance of the outward and homeward mails across the Atlantic.
- (5.) *The Department* is pleased to learn that all Australian mails are now enclosed in Sydney bags.
- (6.) *Special Trains.*—The Contractors have displayed very commendable zeal in this matter, and on two occasions their exertions were successful in securing earlier despatch of the mails from New York than would have been the case had the mails been kept at San Francisco for the ordinary mail trains. The Department took occasion, by a recent mail, to express its acknowledgments to the Contractors for their praiseworthy efforts in this direction. I note with satisfaction that you desire that the mails shall be sent by special trains, as occasion may arise. Our Agents will see that all necessary arrangements are carried out, and the mails transferred to the through trains.

With reference to the concluding paragraph of your letter, I have to state that it is still believed that joint representations to the Contractors would probably result—

- (1.) In an acceleration of time between Sydney and San Francisco ;
- (2.) In the prompt despatch of the steamers from San Francisco immediately on the arrival of the mails from New York ; and
- (3.) In an arrangement for reducing the trans-continental journey, for mail purposes, to a minimum.

I have, &c.,

W. GRAY,

Secretary.

The Secretary, General Post Office, Sydney.

No. 15.

Mr. GRAY to Mr. CREIGHTON.

SIR,—

General Post Office, Wellington, 21st May, 1878.

Adverting to my communication of the 15th December last, in reply to yours of the 5th of the previous month, in the concluding paragraph of which I stated that a copy of your letter, and of the enclosures thereto, would be forwarded to Sydney, I have now the honor to furnish you with copies of my letter to the Secretary of the General Post Office, Sydney, on the subject, and of his reply thereto.

I have, &c.,

W. GRAY,

Secretary.

R. J. Creighton, Esq.,

Resident Agent for New Zealand, San Francisco.

No. 16.

The AGENT-GENERAL to the Hon. the POSTMASTER-GENERAL.

SIR,—

7, Westminster Chambers, London, S.W., 25th February, 1878.

I have the pleasure of enclosing for your information copy of a letter from the Postmaster of New York, which Sir Daniel Cooper has been so good as to communicate to me, showing the great care and pains which are taken by the New York Post Office in the despatch of our mails.

I have, &c.,

JULIUS VOGEL,

Agent-General for New Zealand.

The Hon. the Postmaster-General, Wellington.

Enclosure in No. 16.

Mr. JAMES to Sir DANIEL COOPER.

Post Office, New York City, N.Y., Office of the Postmaster,
9th February, 1878.

MY DEAR SIR DANIEL,—

Let me thank you for your kind letter, which I regret to have left unanswered so long, and also for the generous manner in which *The Times*, through your kind offices, spoke of our efforts in forwarding the Australian mail.

I am pleased to say that in receiving and forwarding your mail of this week we have been equally fortunate.

Owing to the heaviest snow-storm of the season, the trains during the past ten days were all behind time, but through the exertions of General Superintendent Vail, of the Railway Mail Service, and President Scott, of the Pennsylvania Railway, the train that morning was in time, arriving at 6.30 a.m., and the mail left New York on board the "Abyssinia," of the Cunard Line, which sailed at 7 o'clock. You should have it in London on Saturday at least, thereby securing its arrival three days ahead of schedule time.

From New York to San Francisco the postal officials are all alive to the importance of rapid transit, and, unless some unforeseen accident should occur, I do not think there will be any delay in the future.

With best wishes for your personal welfare,

Sir Daniel Cooper, 20, Princess Gardens, S.W.

I have, &c.,
THOS. L. JAMES,
Postmaster.

No. 17.

The Hon. Mr. BALLANCE to the AGENT-GENERAL.

SIR,—

General Post Office, Wellington, 25th April, 1878.

I have the honor to acknowledge the receipt of your communication of 25th February last, enclosing copy of a letter from the Postmaster of New York, communicated to you by Sir Daniel Cooper, relative to the exertions displayed by the officers of the United States Postal Department, in their endeavours to accelerate the transit of the Australian and New Zealand mails across the continent.

This matter had been previously brought under notice by the Resident Agent for the Colony at San Francisco, and by the last mail Mr. Creighton was requested to convey to the postal authorities the thanks of this Department for their cordial co-operation with the agents of the Pacific Mail Steamship Company in expediting the transit of mails between San Francisco and New York. Messrs. Williams, Blanchard, and Co., the San Francisco Agents for the Company, were also written to in suitable terms, thanking them for their exertions in the matter.

The Agent-General for New Zealand, London.

I have, &c.,
J. BALLANCE,
(for the Postmaster-General.)

No. 18.

Mr. LAMBTON to the SECRETARY, General Post Office.

SIR,—

Sydney, 3rd May, 1878.

I have the the honor to forward herewith copies of a letter, and its enclosure, received from Messrs. Gilchrist, Watt, and Co., respecting a charge of \$150, for a special train from San Francisco to Sacramento, for the purpose of enabling the mails, which arrived at the former place per s.s. "Australia" on the 17th October last, to overtake the mail train to New York.

The Postmaster-General is of opinion that this amount should, under the circumstances, be refunded to the Contractors, and will be glad to know whether the Postmaster-General of New Zealand concurs in this opinion, and, if so, whether your department will pay half the sum in question.

The Secretary, General Post Office, Wellington.

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

Enclosure in No. 18.

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

SIR,—

Sydney, 18th April, 1878.

We have the honor to forward herewith copy of letter received by us from the Commander of s.s. "Australia" (dated 17th inst.), embodying extract from letter addressed to him by Messrs. John Elder and Co., owners of s.s. "Australia."

This letter states that, on the occasion of the arrival of the "Australia" at San Francisco on 17th October last, the train for New York had just left, but that the Pacific Mail Company arranged to have the mails forwarded per special train to catch the mail train, which, it appears, they succeeded in doing at Sacramento, and thus saving a considerable time in the transmission.

For the cost of this train the steamer has been charged the sum of \$150, and we have now the honor to request that the said sum may be refunded to her by the Government, as it was an expense incurred solely in the interests of the public, and not of the steamer, which had already used her best efforts for the speedy delivery of the mails at her port of destination (San Francisco).

We have, &c.,
GILCHRIST, WATT, AND Co.,
General Agents for the Contractors, San Francisco Mail Service.
The Hon. the Postmaster-General, Sydney.

Sub-Enclosure to Enclosure in No. 18.

Captain CARGILL to Messrs. GILCHRIST, WATT, and Co.

GENTLEMEN,—

Sydney, 17th April, 1878.

I beg to give you the following extract from Messrs. John Elder and Co.'s letter to me, relating to the charge of \$150 against the s.s. "Australia" for running mails from San Francisco

to Sacramento, a distance of about 130 miles. This was done in order to catch up with the usual early mail train for New York, which had left San Francisco a little time before our arrival in that port:—

“We notice the extra exertion of the Pacific Mail Company in sending your mail by special car to overtake the regular train, and for which we learn, from Mr. Dean’s letter of the 15th October, and from the Pacific Mail Company’s accounts, they are charging us \$150. We think this should be a charge against the Government.

“There will be no object in making a rapid passage of the steamer if the profit of it is to be mulcted to expedite the mails on land.

“We hope you will press this view on Messrs. Williams, Blanchard, and Co., and, if necessary, also on Messrs. Gilchrist, Watt, and Co., to obtain the amount from the Colonial Governments.”

I have, &c.,

Messrs. Gilchrist, Watt, and Co.

W. CARGILL.

No. 19.

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

SIR,—

General Post Office, Wellington, 23rd May, 1878.

I am directed to acknowledge the receipt of your communication of the 3rd instant, forwarding a copy of a letter, and its enclosures, received from Messrs. Gilchrist, Watt, and Co., respecting a charge of \$150, the cost of a special train from San Francisco to Sacramento, for the purpose of enabling the mails, which arrived at the former place per s.s. “Australia” on the 17th October last, to overtake the mail train for New York, and desiring to be informed whether this Department is of opinion that the amount should be made good to the Contractors by the two Governments.

In reply, I am to inform you that the Department agrees that the amount should be repaid the Contractors, but the claim for payment should have been made by the Contractors, and not through Messrs. Elder and Co. It would be impolitic, in the opinion of the Postmaster-General, to recognize these gentlemen in matters properly affecting the Contractors. Under these circumstances, it is suggested that the refund, if made, should be to the Pacific Mail Steamship Company, by whom the matter could be formally adjusted as between the Company and Messrs. Elder and Co.

I have, &c.,

J. A. HUTTON,

(for the Secretary.)

The Secretary, General Post Office, Sydney.

No. 20.

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

SIR,—

San Francisco, California, 19th January, 1878.

I have the honor to transmit copy of a letter addressed by me to H. B. Blanchard, Esq., Agent for the Pacific Mail Company (his partner being in New York), in reference to the mail contract. The letter explains itself. Be good enough to bring this matter under consideration of the Postmaster-General, as it is of the utmost consequence to the contracting colonies.

I have, &c.,

ROBT. J. CREIGHTON.

W. Gray, Esq., Secretary, Post Office, Wellington.

Enclosure in No. 20.

Mr. CREIGHTON to Mr. BLANCHARD.

SIR,—

San Francisco, California, 9th January, 1878.

Referring to my conversation with you and General Coey yesterday, relative to the freight charges on the New Zealand and Australian mail matter across the continent, I find that the arrangement under which the Imperial Government pays the present charge of 33 cents per pound (less $3\frac{1}{4}$ cents per ounce on letters, and 6 cents per pound on newspapers, which the contracting colonies contribute), expires on the 29th May proximo. It would be desirable to make some arrangement at Washington, if practicable, whereby the rates charged upon British closed mails to San Francisco should, in future, not exceed the rates charged up to December, 1875, when a change was made by the Hon. the Postmaster-General. I enclose copy of a memorandum submitted by me to the United States Postal Commission during their session here in 1876, which explains the exact position of the question.

Should Captain Williams and the Pacific Mail Company be able to obtain this concession, in the interest of American commerce, the contracting colonies will be deeply indebted to them.

May I request you to inform me of the result of your own and Captain Williams’s action in this matter.

I have, &c.,

ROBT. J. CREIGHTON,

Agent for New Zealand Government,

H. B. Blanchard, Esq., San Francisco.

No. 21.

Mr. GRAY to Mr. CREIGHTON.

SIR,—

General Post Office, Wellington, 30th March, 1876.

I have to acknowledge the receipt of your letter of the 19th January last, enclosing a copy of a communication which you had addressed to Mr. H. B. Blanchard, of Messrs. Williams, Blanchard, and Co., agents at San Francisco for the Pacific Mail Steamship Company, relative to the early termination of the present agreement regulating the payment of transit charges on Australian and New Zealand mail matter, and with the view of obtaining, if possible, a renewal of the agreement on more favourable terms.

I have to thank you for the timely action which you have taken in the matter, and to express the wish of the Postmaster-General that you will keep this Department fully advised of anything that may transpire, and again bring the subject, if necessary, under the notice of the proper authorities.

I may state for your information, however, that the Imperial Government have agreed to defray all land transit charges until the end of the present year, when the London Post Office desires that the whole question shall be reconsidered.

R. J. Creighton, Esq.,
Resident Agent for New Zealand, San Francisco.

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

No. 22.

Mr. GRAY to the AGENT-GENERAL.

SIR,—

General Post Office, Wellington, 30th March, 1878.

I have the honor to forward herewith, for your information, copy of a communication, together with the enclosure thereto, recently received from Mr. R. J. Creighton, of San Francisco, also a copy of the reply from this office, of even date herewith, bearing on the question of the rates of transit across the American Continent on Australian and New Zealand mail matter.

The Agent-General for New Zealand, London.

I have, &c.,
W. GRAY,
(for the Postmaster-General.)

No. 23.

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

SIR,—

7, Westminster Chambers, London, S. W., 13th November, 1877.

I have the honor to acknowledge the receipt of the Hon. the Postmaster-General's telegram of the 2nd instant (F.—4B., 1877, No. 16), received the 6th instant, confirming the settlement made with Mr. Cunningham in regard to the postal contract, and authorizing the execution of the deed of release; and in reference thereto I have to inform you that I at once took steps to finally settle the matter, and that on the 7th instant I received from Mr. Cunningham the sum of £5,000, which amount I paid into the credit of the Public Account at the Bank of New Zealand.

I am glad, therefore, to be able to report the conclusion of a matter which has involved much troublesome negotiation and correspondence.

The Hon. the Colonial Secretary, Wellington.

I have, &c.,
JULIUS VOGEL,
Agent-General.

No. 24.

COPY OF RELEASE.

THIS indenture made the 29th day of June, A.D. 1877, between the Hon. Saul Samuel, the Postmaster-General of the Colony of New South Wales, as such Postmaster-General, acting for and on behalf of the Government of the said colony, and the Hon. George McLean, the Postmaster-General of the Colony of New Zealand, as such Postmaster-General, and acting for and on behalf of the Government of the said colony, of the first part; Paul Siemen Forbes, of New York, in the United States of America, of the second part; Edward Cunningham, of Boston, in the said United States, the said Paul Siemen Forbes, and Edward Münster de Bussche, of Ryde, in the Isle of Wight, in the County of Southampton, of the third part; and the said Edward Cunningham of the fourth part. Whereas by certain articles of agreement made and entered into on the 27th day of November, A.D. 1873, between the said Saul Samuel, as Postmaster-General of and acting for and on behalf of the Government of the said Colony of New South Wales, of the first part; the Hon. Julius Vogel (now Sir Julius Vogel), as Postmaster-General of and acting for and on behalf of the Government of the said Colony of New Zealand, of the second part; Hayden Hezekiah Hall, therein described, and the said Paul Siemen Forbes (in the said articles of agreement now in recital and hereinafter in the recital of such articles designated "the Contractors"), of the third part; and sealed with the respective seals of the Contractors, the Contractors did for themselves, their heirs, executors, administrators, and assigns, and each of them did for himself, his heirs, executors, administrators, and assigns, covenant with the Postmaster-General of the Colony of New South Wales and his successors, and with the Postmaster-General of the Colony of New Zealand and his successors, and also as a separate covenant with each of the Postmasters-General and his successors, that they the Contractors, so long as the whole or any part of the services by the said articles of agreement now in recital agreed to be performed ought to

be performed, would provide and keep seaworthy and in complete repair and readiness for the purpose of conveying, on and from the 20th day of December, 1873, and until certain articles of agreement bearing even date with and made between the same parties as the said articles of agreement now in recital, and in the said articles of agreement now in recital referred to as "the permanent contract," should come into operation, all Her Majesty's mails which, and all other mails of whatever country or place which, the Postmasters-General or either of them should at any time and from time to time require the Contractors to convey between Sydney and San Francisco, and between San Francisco and Sydney, and between New Zealand and San Francisco, and between San Francisco and New Zealand, and from and to all and every or any of those ports to and from the Ports of Honolulu, in the Sandwich Islands, and Kandavau, in the Fiji Islands, and according to the routes, within the respective times, and in manner thereafter provided, a sufficient number of and not less than four good, substantial, and efficient screw steam vessels of the first class, and fully equal to class 100 A1, Lloyd's register. And by the said articles of agreement now in recital the Postmaster-General of the Colony of New South Wales and the Postmaster-General of the Colony of New Zealand did and each of them did for and on behalf of himself respectively as such Postmaster-General and his successors respectively and the Government of the colony for which he was then respectively the Postmaster-General, covenant with the Contractors, their executors, and administrators (among other things) that payment at the rate therein mentioned should be made to the Contractors by the Postmaster-General for the time being of the Colony of New South Wales for the conveyance of each mail from San Francisco to Sydney and *vice versa*, and by the Postmaster-General for the time being of the Colony of New Zealand for the conveyance of each mail from San Francisco to New Zealand and *vice versa*; and the Contractors did further covenant that if they should fail to commence the performance of the services by the said articles of agreement now in recital contracted to be by them performed according to the provisions thereof, or, having commenced the same, should refuse or wilfully neglect to carry on the same according to the true intent and meaning of the said articles of agreement, they should forfeit and pay to the Postmaster-General for the time being of the Colony of New South Wales and the Postmaster-General for the time being of the Colony of New Zealand the sum of £25,000, to be equally divided between the Postmasters-General, as and by way of liquidated damages, and not by way of penalty, and that the Contractors, with two sureties, to be approved by the Postmasters-General, would jointly and severally enter into a bond in the penal sum of £25,000 conditioned for the due and faithful performance of the covenants and agreements on the part of the Contractors in the said articles of agreement now in recital contained, according to a draft then already agreed upon. And whereas by a certain bond or obligation, dated the 27th day of March, 1873, and sealed with the respective seals of the said Hayden Hezekiah Hall, Paul Siemen Forbes, Edward Münster de Bussche, and Edward Cunningham, the said Hayden Hezekiah Hall, Paul Siemen Forbes, Edward Münster de Bussche, and Edward Cunningham acknowledged themselves to be jointly and severally held and firmly bound to the said Saul Samuel, the Postmaster-General of the said Colony of New South Wales, as such Postmaster-General, and acting for and on behalf of the Government of such colony, and to the said Sir Julius Vogel, the Postmaster-General of the Colony of New Zealand, as such Postmaster-General, and acting for and on behalf of the Government of such colony, in the sum of £25,000 of lawful money of the United Kingdom of Great Britain and Ireland, to be paid to the said Saul Samuel and Sir Julius Vogel and their successors in their respective offices of Postmaster-General of the said Colony of New South Wales and Postmaster-General of the said Colony of New Zealand, which said bond or obligation was subject to a condition thereunder written, whereby, after a recital of the said hereinbefore recited articles of agreement, it was declared that, if in case (among other cases in the said bond or obligation mentioned) the said Hayden Hezekiah Hall and Paul Siemen Forbes, while the whole or any part of the services by the said hereinbefore recited articles of agreement agreed to be performed ought to be performed, should not provide, or, in case, having provided, they should not keep seaworthy and in complete repair and readiness for the purpose of conveying, on and from the 20th day of December, 1873, and until the said permanent contract in the said articles of agreement mentioned should come into operation, all Her Majesty's mails which and all other mails which the Postmaster-General for the time being of the Colony of New South Wales and the Postmaster-General for the time being of the Colony of New Zealand, or either of them, should at any time or from time to time require the Contractors to convey between Sydney and San Francisco, and between San Francisco and Sydney, and between New Zealand and San Francisco, and between San Francisco and New Zealand, and from and to all and every or any of those ports to and from the said ports of Honolulu and Kandavau, a sufficient number of and not less than four good, substantial, and efficient screw steam vessels of the first class, and fully equal to class 100 A1, Lloyd's register, the said Hayden Hezekiah Hall, Paul Siemen Forbes, Edward Münster de Bussche, and Edward Cunningham, or some or one of them, or the executors or administrators of some or one of them, should, in the said case hereinbefore mentioned, or any other of the said cases in the said bond or obligation mentioned, pay unto the Postmasters-General for the time being of the said colonies the sum of £25,000 as and for liquidated damages, then the said bond or obligation should be void.

And whereas by certain other articles of agreement also made and entered into on the said 27th day of November, A.D. 1873, between the said Saul Samuel as Postmaster-General of and acting for and on behalf of the Government of the said Colony of New South Wales of the first part, the said Sir Julius Vogel as Postmaster-General of and acting for and on behalf of the Government of the said Colony of New Zealand of the second part, and the said Hayden Hezekiah Hall and Paul Siemen Forbes (in the said articles of agreement now in recital and hereinafter in the recital of such articles designated "the Contractors") of the third part, and sealed with the respective seals of the Contractors, the Contractors did for themselves, their heirs, executors, administrators, and assigns, and each of them did for himself, his heirs, executors, administrators, and assigns, covenant with the Postmaster-General of the Colony of New South Wales and his successors, and with the Postmaster-General of the Colony of New Zealand and his successors, and also as a separate covenant with each of the Postmasters-General and his successors, that they the Contractors, so long as the whole or any

part of the services by the said articles of agreement now in recital agreed to be performed ought to be performed, would provide and keep seaworthy and in complete repair and readiness for the purpose of conveying, from time to time and at all times during the period of six years to be computed from the 27th day of November, 1874, all Her Majesty's mails which, and all other mails of whatever country or place which, the Postmasters-General or either of them should at any time and from time to time require the Contractors to convey between Sydney and San Francisco, and between San Francisco and Sydney, and between New Zealand and San Francisco, and between San Francisco and New Zealand, and from and to all and every or any of those ports to and from the Ports of Honolulu, in the Sandwich Islands, and Kandavau, in the Fiji Islands, and according to the routes, within the respective times, and in manner thereafter provided, a sufficient number of and not less than four good, substantial, and efficient screw steam vessels of the first class, and fully equal to class 100 A1, Lloyd's register. And by the said articles of agreement now in recital the Postmaster-General of the Colony of New South Wales and the Postmaster-General of the Colony of New Zealand did and each of them did, for and on behalf of himself respectively as such Postmaster-General and his successors respectively and the Government of the colony for which he was then respectively the Postmaster-General, covenant with the Contractors, their executors, and administrators (among other things) that payment at the rate therein mentioned should be made to the Contractors by the Postmaster-General for the time being of the Colony of New South Wales for the conveyance of each mail from San Francisco to Sydney, and *vice versa*, and by the Postmaster-General for the time being of the Colony of New Zealand for the conveyance of each mail from San Francisco to New Zealand, and *vice versa*; and the Contractors did further covenant that if they should fail to commence the performance of the services by the said articles of agreement now in recital contracted to be by them performed according to the provisions thereof, or, having commenced the same, should refuse or wilfully neglect to carry on the same according to the true intent and meaning of the said articles of agreement, they should forfeit and pay to the Postmaster-General for the time being of the Colony of New South Wales and the Postmaster-General for the time being of the Colony of New Zealand the sum of £25,000, to be equally divided between the Postmasters-General, as and by way of liquidated damages and not by way of penalty; and that the Contractors, with two sureties to be approved by the Postmasters-General, would jointly and severally enter into a bond in the penal sum of £25,000, conditioned for the due and faithful performance of the covenants and agreements on the part of the Contractors in the said articles of agreement now in recital contained, according to a draft then already agreed upon.

And whereas by a certain bond or obligation, dated the 27th day of November, 1873, and sealed with the respective seals of the said Hayden Hezekiah Hall, Paul Siemen Forbes, Edward Münster de Bussche, and Edward Cunningham, the said Hayden Hezekiah Hall, Paul Siemen Forbes, Edward Münster de Bussche, and Edward Cunningham acknowledged themselves to be jointly and severally held and firmly bound to the said Saul Samuel, the Postmaster-General of the said Colony of New South Wales, as such Postmaster-General, and acting for and on behalf of the Government of such colony, and to the said Sir Julius Vogel, the Postmaster-General of the Colony of New Zealand, as such Postmaster-General, and acting for and on behalf of the Government of such colony, in the sum of £25,000 of lawful money of the United Kingdom of Great Britain and Ireland, to be paid to the said Saul Samuel and Sir Julius Vogel and their successors in their respective offices of Postmaster-General of the said Colony of New South Wales and Postmaster-General of the said Colony of New Zealand, which said bond or obligation was subject to a condition thereunder written whereby, after a recital of the said lastly hereinbefore recited articles of agreement, it was declared that, if in case (among other cases in the said bond or obligation mentioned) the said Hayden Hezekiah Hall and Paul Siemen Forbes, while the whole or any part of the services by the said lastly hereinbefore recited articles of agreement agreed to be performed ought to be performed, should not provide, or, in case, having provided, they should not keep seaworthy and in complete repair and readiness for the purpose of conveying, from time to time and at all times during the period of six years, to be computed from the 27th day of November, 1874, all Her Majesty's mails which, and all other mails which, the Postmaster-General for the time being of the Colony of New South Wales and the Postmaster-General for the time being of the Colony of New Zealand, or either of them, should at any time or from time to time require the Contractors to convey between Sydney and San Francisco, and between San Francisco and Sydney, and between New Zealand and San Francisco, and between San Francisco and New Zealand, and from and to all and every or any of those ports to and from the said ports of Honolulu and Kandavau, a sufficient number of and not less than four good, substantial, and efficient screw steam vessels of the first class, and fully equal to Class 100 A1, Lloyd's register, the said Hayden Hezekiah Hall, Paul Siemen Forbes, Edward Münster de Bussche, and Edward Cunningham, or some or one of them, or the executors or administrators of some or one of them, should, in the said case hereinbefore mentioned, or any other of the said cases in the said bond or obligation mentioned, pay unto the Postmasters-General for the time being of the said colonies the sum of £25,000, as and for liquidated damages, then the said bond or obligation should be void. And whereas the said Hayden Hezekiah Hall and Paul Siemen Forbes made default in the performance of the terms and conditions of the said first hereinbefore recited articles of agreement, but the said Hayden Hezekiah Hall, Paul Siemen Forbes, Edward Münster de Bussche, and Edward Cunningham did not nor did any of them pay unto the Postmasters-General for the time being of the said colonies the sum of £25,000, or any other sum, in satisfaction of the said first hereinbefore recited bond or obligation. And whereas the said Hayden Hezekiah Hall and Paul Siemen Forbes failed to perform the terms and conditions of the said secondly hereinbefore recited articles of agreement, but the said Hayden Hezekiah Hall, Paul Siemen Forbes, Edward Münster de Bussche, and Edward Cunningham did not nor did any of them pay unto the Postmasters-General for the time being of the said colonies the sum of £25,000, or any other sum, in satisfaction of the said secondly hereinbefore recited bond or obligation. And whereas an action was brought in the Supreme Court of New York by the said Saul Samuel, as Postmaster-General of the Colony of New South Wales, and Sir Julius Vogel, as Postmaster-General of the Colony of New Zealand, against the said Hayden Hezekiah Hall, Paul Siemen Forbes, Edward Münster de Bussche,

and Edward Cunningham upon the said firstly hereinbefore recited articles of agreement and bond or obligation, but no judgment has yet been obtained in the said action. And whereas the said Edward Münster de Bussche was, on or about the 13th day of March, 1875, duly adjudicated a bankrupt in the London Bankruptcy Court. And whereas the said Sir Julius Vogel, who at the date of the said adjudication was Postmaster-General of the said Colony of New Zealand, made proof under the said bankruptcy for two debts or sums of £25,000, being the amounts of the two hereinbefore recited bonds or obligations, as due to him as such Postmaster-General, and to the Hon. John Fitzgerald Burns, who at the date of the said adjudication was the Postmaster-General of the said Colony of New South Wales, and such proof was duly admitted. And whereas afterwards the trustees in the said bankruptcy, with the sanction of a special resolution of the creditors duly assembled at a meeting duly convened, assented to a general scheme of settlement of the affairs of the said bankrupt, which scheme was afterwards duly approved of by the Judge of the said Bankruptcy Court. And whereas according to the said scheme of settlement the sum of £7,500 was to be paid in satisfaction of the debts due by the said Edward Münster de Bussche in six instalments of £1,250 each, the first instalment to be paid to the said trustees on or before the annulment of the bankruptcy, together with the costs of the said trustees and their solicitors, and the remaining instalments at various dates, the payment thereof to be secured in the manner then agreed. And whereas the said first instalment and a portion of the said costs were paid, and the trustees accepted the promissory notes of the said Edward Münster de Bussche in satisfaction of the balance of the said costs, and the said Edward Münster de Bussche delivered to the said trustees certain promissory notes and securities, to secure the payment of the remaining instalments, and thereupon the said bankruptcy was duly annulled. And whereas the said subsequent instalments have become due, but have not been paid in full. And whereas the said trustees have declared a dividend, and the sum of £208 6s. 8d. has been paid to the Postmasters-General of the said colonies, for and on behalf of the Governments of the said colonies, as the share of the said Postmasters-General of such dividend.

And whereas the said Edward Cunningham has offered to the said Saul Samuel, as Postmaster-General of the said Colony of New South Wales, and acting for and on behalf of the Government of such colony, and to the said George McLean, as Postmaster-General of the said Colony of New Zealand, and acting for and on behalf of the Government of such colony, to pay to them, for and on behalf of the Governments of the said colonies, the sum of £10,000 of lawful money of the said United Kingdom, in consideration that they will, for and on behalf of the Governments of the said colonies, release and discharge him the said Edward Cunningham, and also the said Edward Münster de Bussche, from all liability under or in respect of the said two bonds or obligations hereinbefore recited, and the said Paul Siemen Forbes from all liability under or on account or in respect of the said bonds or obligations and the said articles of agreement hereinbefore and in the said bonds or obligations recited, and from the said action or suit hereinbefore mentioned, and assign to him the said Edward Cunningham all rights which they the said Saul Samuel and George McLean, as such Postmasters-General, have under the said scheme of settlement, subject nevertheless to his liability to make the payment hereinafter mentioned. And whereas the said Edward Cunningham hath agreed to pay, at the request of the said Saul Samuel and George McLean, as such Postmasters-General of the said colonies, to the firm of Foster and Thompson, solicitors, in New York, the sum of £200 out of the first moneys which he may receive by way of dividend under the said scheme of settlement and by virtue of these presents, in full satisfaction of their costs and charges in connection with the said offer and its acceptance. And whereas the said Saul Samuel and George McLean have, as such Postmasters-General, and for and on behalf of the Governments of the said colonies, accepted the said offer. And whereas, in pursuance of the said offer and acceptance thereof, the said Edward Cunningham has, immediately before the execution of these presents, paid to the said Saul Samuel and George McLean, for and on behalf of the Governments of the said colonies, the sum of £10,000 of lawful money of the said United Kingdom, as they do hereby acknowledge:

Now this indenture witnesseth that, in consideration of the premises, they the said Saul Samuel and George McLean do, as such Postmasters-General, and for and on behalf of the Governments of the said colonies, remise, release, and for ever quit claim unto the said Edward Cunningham, Paul Siemen Forbes, and Edward Münster de Bussche, their heirs, executors, administrators, estates, and effects respectively, the said action or suit hereinbefore mentioned, and all actions, suits, claims, and demands whatsoever which they the said Saul Samuel and George McLean, as such Postmasters-General, or any predecessors of them or either of them in the office of Postmasters-General or Postmaster-General of the said colonies or either of the said colonies, or which the Governments or Government of the said colonies or either of the said colonies now have or has or may have against the said Edward Cunningham, Paul Siemen Forbes, and Edward Münster de Bussche, or any of them, under or on account or in respect of the said articles of agreement hereinbefore recited or either of them, and of the said bonds or obligations hereinbefore recited or either of them, but without prejudice nevertheless to the rights and remedies of the Postmasters-General for the time being of the said colonies under the scheme of settlement hereinbefore mentioned. And, for the considerations aforesaid, they the said Saul Samuel and George McLean, as such Postmasters-General, and for and on behalf of the Governments of the said colonies, do hereby assign unto the said Edward Cunningham, his executors, administrators, and assigns, absolutely all rights and remedies which they the said Saul Samuel and George McLean, as such Postmasters-General, or any predecessor of them or either of them in the office of Postmasters-General or Postmaster-General of the said colonies or either of the said colonies have or has under or by virtue of the said bankruptcy or the said scheme of settlement, and all rights and claims to any share of any dividend or dividends which may at any time hereafter be paid in respect of the said bankruptcy or under the said scheme of settlement: Provided always, and it is hereby declared, that the said sum of £208 6s. 8d. so paid to the Postmasters-General of the said colonies for and on behalf of the Governments of the said colonies shall be retained by the Governments of the said colonies.

And this indenture further witnesseth that the said Edward Cunningham doth hereby, for himself,

his heirs, executors, and administrators, covenant with the said Saul Samuel, and George McLean, as such Postmasters-General, and with the successors and successor of them and each of them in their respective offices, that he, the said Edward Cunningham, will, out of the share of any such dividend or dividends as aforesaid which he may receive under and by virtue of this indenture, pay to the firm of Foster and Thomson, carrying on business as solicitors in the City of New York, the sum of £200 of lawful money of the said United Kingdom, or an equivalent sum in the currency of the United States of America, in satisfaction of their charges in connection with the said offer by the said Edward Cunningham and the acceptance thereof as aforesaid. In witness whereof the said parties to these presents have hereunto set their hands and seals the day and year first above written.

(L.S.) SAUL SAMUEL,
(by William Forster, his attorney.)
(L.S.) GEORGE McLEAN,
(by Julius Vogel, his attorney.)

Signed, sealed, and delivered by the within-named Saul Samuel (by William Forster, his attorney) and George McLean (by Sir Julius Vogel, his attorney) in the presence of—
Charles Stewart, solicitor, 57, Coleman Street, E.C.

No. 25.

The Hon. Mr. FISHER to the AGENT-GENERAL.

SIR,— General Post Office, Wellington, 14th January, 1878.

I have the honor to acknowledge the receipt of your communication of the 13th November last, from which I am glad to learn that you have received from Mr. Cunningham and paid into the credit of the Public Account the sum of £5,000, in settlement of the claim of this Government under the Hall-Forbes San Francisco Mail Contract, and that a matter which has involved much troublesome correspondence and negotiation has thus been brought to a conclusion.

The Agent-General for New Zealand, London.

I have, &c.,
J. T. FISHER.

No. 26.

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

SIR,— General Post Office, Wellington, 4th January, 1878.

I am directed to forward, for your information, a copy of a communication received by the last mail from the Agent-General for New Zealand, advising the settlement of the Cunningham compromise in the matter of the postal contract, and reporting the payment to him, on account of this colony, of the sum of £5,000.

The Secretary, General Post Office, Sydney:

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

No. 27.

The AGENT-GENERAL to the Hon. the POSTMASTER-GENERAL.

SIR,— 7, Westminster Chambers, London, S.W., 18th December, 1877.

I have the honor to acknowledge the receipt of your despatch of 4th October, relating to the power of attorney in the matter of the old San Francisco contract. You will have already learned, by my letter of 13th November, that, after the receipt of your telegram confirming the settlement, the sum of £5,000 was paid to me on behalf of Mr. Cunningham.

The Agent-General for New South Wales received at the same time a similar sum.

The law charges incurred in this matter, amounting to £308 10s. 10d.—viz., Messrs. J. Mackrell and Co., £169 16s. 10d.; and Messrs. Peachey and Lloyd, £138 14s.—have been divided equally between the Government of New Zealand and the Government of New South Wales.

The Hon. the Postmaster-General, Wellington.

I have, &c.,
JULIUS VOGEL,
Agent-General.

No. 28.

The Hon. Mr. FISHER to the AGENT-GENERAL.

SIR,— General Post Office, Wellington, 28th March, 1878.

I have the honor to acknowledge the receipt of your communication of the 18th December last, in reply to mine of the 4th October, in further reference to the Cunningham compromise, and intimating that the law costs in connection therewith, amounting to £308 10s. 10d., had been equally divided between this Government and that of New South Wales.

The Agent-General for New Zealand, London.

I have, &c.,
J. T. FISHER.

No. 29.

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

SIR,— General Post Office, Wellington, 21st February, 1878.

I have the honor, by direction of the Postmaster-General, to forward, for your information, copy of further correspondence from the Agent-General for this colony in London relative to the payments made by Mr. Edward Cunningham in the matter of the old postal contract and the law expenses in connection therewith.

I have, &c.,
THOMAS ROSE,
(for the Secretary.)

The Secretary, General Post Office, Sydney.

No. 30.

The AGENT-GENERAL to the HON. the POSTMASTER-GENERAL.

SIR,— 7, Westminster Chambers, London, S.W., 23rd November, 1877.

I have the honor to inform you that I have received a communication from the Secretary to General Post Office (copy of letter and reply attached), stating that, in consequence of new arrangements just concluded for the American Mail Packet Service, the despatch from London of the Australian and New Zealand mails on the evening of every fourth Thursday, and their conveyance by either the Inman or the White Star line, may be relied upon throughout the ensuing year.

I feel sure that you will be glad to hear that this question, which appeared likely to be one of great difficulty, has now been so satisfactorily settled.

I have, &c.,
JULIUS VOGEL,
Agent-General.

The Hon. the Postmaster-General, Wellington.

Enclosure 1 in No. 30.

Mr. PAGE to the AGENT-GENERAL for NEW ZEALAND.

SIR,— General Post Office, London, 19th November, 1877.

I am directed by the Postmaster-General to acquaint you that, in consequence of new arrangements for the American Mail Packet Service just concluded, a fixed departure from Liverpool on Thursday in each week, and from Queenstown on the following day, has been secured. The despatch from London of the Australian and New Zealand mails on the evening of every fourth Thursday throughout the ensuing year, and the conveyance of such mails by a steam vessel of either the Inman or the White Star line, may therefore be relied upon.

I have, &c.,
WM. JAS. PAGE.

The Agent-General for New Zealand.

Enclosure 2 in No. 30.

The AGENT-GENERAL for NEW ZEALAND to MR. PAGE.

SIR,— 7, Westminster Chambers, London, S.W., 19th November, 1877.

I have the honor to acknowledge the receipt of your letter of this day, advising me of the new arrangements which have been concluded for the American Mail Packet Service and the departure of the Australian and New Zealand mails during the ensuing year.

I beg you will convey to the Postmaster-General my thanks, and an expression of the satisfaction I feel that the Post Office has at length been able to arrange permanently for the despatch of the mails every fourth Thursday, in accordance with the desire so strongly expressed by Mr. Forster and myself on behalf of our two Governments.

I venture to ask that the Post Office will cause publicity to be given to the fact that the New Zealand and New South Wales mails will be regularly despatched *via* San Francisco every fourth Thursday.

I have, &c.,
JULIUS VOGEL,
Agent-General.

William Jas. Page, Esq., General Post Office.

No. 31.

The Hon. Mr. FISHER to the AGENT-GENERAL.

SIR,— General Post Office, Wellington, 23rd January, 1878.

I have the honor to acknowledge the receipt of your letter of the 23rd of November last, and of the copies of the letters which accompanied it, from which I learn with much satisfaction that, in consequence of new arrangements for the American Mail Packet Service, the despatch from London of the Australian and New Zealand mails on the evening of every fourth Thursday, and their conveyance by either Inman or White Star line, may be relied upon throughout this year.

I have, &c.,
J. T. FISHER.

The Agent-General for New Zealand, London.

No. 32.

Mr. PAGE to the Hon. the POSTMASTER-GENERAL.

SIR,—

General Post Office, London, 4th December, 1877.

The Postmaster-General has concluded arrangements under which he is able to announce that the monthly mails for Australia and New Zealand intended to be forwarded *via* San Francisco will henceforth be despatched from London uniformly on the evening of Thursday, and from Queenstown on the following day. The mails will be conveyed in each case by vessels of the Inman or White Star lines.

The following table shows the days on which the Australian and New Zealand mails will be despatched during the ensuing year:—

Thursday, 10th January, 1878.	Thursday, 25th July, 1878.
„ 7th February, 1878.	„ 22nd August, 1878.
„ 7th March, 1878.	„ 19th September, 1878.
„ 4th April, 1878.	„ 17th October, 1878.
„ 2nd May, 1878.	„ 14th November, 1878.
„ 30th May, 1878.	„ 12th December, 1878.
„ 27th June, 1878.	

The Hon. the Postmaster-General, Wellington.

I have, &c.,

WM. JAS. PAGE.

No. 33.

Mr. PAGE to the Hon. the POSTMASTER-GENERAL.

SIR,—

General Post Office, London, 29th December, 1877.

With reference to my letter of the 4th instant, I beg leave to inform you that notice has just been received that the sailing of the colonial mail packets from San Francisco for New Zealand and New South Wales is appointed to take place one week earlier than previously arranged.

Consequently, the despatch of the mails from London for Australia and New Zealand *via* San Francisco during the year 1878 will take place on Thursday, 3rd January, and every fourth Thursday thereafter, as follows:—

Thursday, 3rd January, 1878.	Thursday, 18th July, 1878.
„ 31st January, 1878.	„ 15th August, 1878.
„ 28th February, 1878.	„ 12th September, 1878.
„ 28th March, 1878.	„ 10th October, 1878.
„ 25th April, 1878.	„ 7th November, 1878.
„ 23rd May, 1878.	„ 5th December, 1878.
„ 20th June, 1878.	

The Hon. the Postmaster-General, Wellington.

I have, &c.,

WM. JAS. PAGE.

No. 34.

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

SIR,—

General Post Office, Wellington, 30th March, 1878.

I am directed to acknowledge the receipt of your communication of the 29th December last, intimating the dates on which the mails for Australia and New Zealand *via* San Francisco will close at your office during the present year, the dates of despatch being one week earlier in each instance than stated in your former letter of the 4th of December, the change being consequent on the amended time-table for the departure of the mail steamers from San Francisco, brought into force on the 1st of January last.

I have, &c.,

W. GRAY,

Secretary.

The Secretary, General Post Office, London.

No. 35.

The AGENT-GENERAL to the Hon. the POSTMASTER-GENERAL.

SIR,—

7, Westminster Chambers, London, S.W., 10th December, 1877.

I have the honor to transmit herewith, for your information, copy of a circular letter I have received from the London Post Office, advising me of arrangements which have been made for the conveyance of mails to and from New York after the 1st of January next.

I have, &c.,

JULIUS VOGEL,

Agent-General.

The Hon. the Postmaster-General, Wellington.

Enclosure in No. 35.

Mr. PAGE to the AGENT-GENERAL.

SIR,—

General Post Office, London, 1st December, 1877.

I am directed by the Postmaster-General to inform you that an arrangement has been made with the owners of the Cunard, Inman, and White Star lines of steam vessels for the conveyance of

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mails to New York three times in each week, and that all letters, &c., posted or arriving in this country, addressed to the United States, will, after the 1st January next, be forwarded solely by these three lines of vessels, the only exception being in the case of letters, &c., specially directed to be sent by some other vessel.

This arrangement will supersede that adopted at the commencement of the current year, of providing month by month for the carriage of the United States mail.

The mails for the United States will be made up at this office on the evening of every Tuesday, Thursday, and Saturday, and forwarded to Queenstown for embarkation on board the packets on the following day.

The Agent-General for New Zealand.

I have, &c.,
WM. JAS. PAGE.

No. 36.

The Hon. Mr. FISHER to the AGENT-GENERAL.

SIR,—

General Post Office, Wellington, 29th March, 1878.

I have the honor to acknowledge receipt of your letter of the 10th December last, enclosing copy of a circular letter which you had received from the London Post Office, advising you of the arrangements which had been made for the conveyance of mails to and from New York during the present year.

It is observed that the services of the Cunard steamers, as well as those of the Inman and White Star lines, have now been accepted.

The Agent-General for New Zealand, London.

I have, &c.,
J. T. FISHER.

No. 37.

The AGENT-GENERAL to the Hon. the POSTMASTER-GENERAL.

SIR,—

7, Westminster Chambers, London, S.W., 17th December, 1877.

I have the honor to acknowledge the receipt of your letter of the 19th October,* in reply to mine of 21st August, advising you of the arrangements which had been made for the transit of the colonial mails across the Atlantic.

You have doubtless already learned, by my letter of the 23rd November, that the arrangements for this service have now been satisfactorily concluded for the ensuing year.

The Hon. the Postmaster-General, Wellington.

I have, &c.,
JULIUS VOGEL,
Agent-General.

No. 38.

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

SIR,—

Sydney, 15th January, 1878.

We have the honor to request that you will cause to be prepared and forwarded to us a memorandum, stating the hour of commencement, and the hour of completion, and the duration of voyage of each inward and outward trip up to the 31st of December last.

We have also to request that a similar memorandum of the voyage of each mail steamer (as shown in the Post Office Time-Table) may be sent in future with your letter advising the payment of subsidy.

We have, &c.,

GILCHRIST, WATT, AND Co.,

General Agents for the Contractors, San Francisco Mail Service.

The Hon. the Postmaster-General, Wellington.

No. 39.

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

GENTLEMEN,—

General Post Office, Wellington, 30th March, 1878.

I have the honor to forward herewith the statement of the running of the San Francisco mail steamers asked for in your letter of the 15th January last, which has been made out as far back as the date of the last payment of bonus. I beg to call your attention to the memorandum attached to the statement.

It will be impossible to comply with the request contained in the concluding paragraph of your letter, as the subsidies for the up-trips are scheduled on receipt of telegraphic advices of the arrivals of the steamers at San Francisco, and the particulars of the running are not obtainable until the return of the steamer to Auckland. Particulars of each voyage will, however, be supplied as soon as practicable.

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

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

Enclosure 1 in No. 39.

STATEMENT showing "the Hour of Commencement, and the Hour of Completion, and the Duration of each Inward and Outward Trip," of the San Francisco Mail Steamers from the 1st January, 1877, to the 12th March, 1878.

Name of Steamer.	Port of Departure, and Date and Hour of Leaving.			Port of Arrival, and Date and Hour of Arrival.			Nominal Duration of Voyage.			Adjustment of Time.			Actual Duration.	Say.	
	Port.	Date.	Hour.	Port.	Date.	Hour.	D. H. M.	In Hours.	Add.		Deduct.				
									H.	M.					
Rotorua and City of Sydney	Port Chalmers	Jan. 10	5.0 p.m.	San Francisco	Feb. 10	8.45 p.m.	31	3	45	747	45	H. M.	767	19	H.
Rotorua and Australia	"	Feb. 8	5.10 "	"	Mar. 9	11.55 "	28	6	45	678	45	"	698	19	M.
Zealandia and Taranaki	San Francisco	3	11.30 "	Port Chalmers	2	7.15 a.m.	26	7	45	631	45	19 34	612	11	"
Rotorua and City of New York	Port Chalmers	Mar. 8	5.0 "	San Francisco	April 6	2.44 "	28	9	44	681	44	"	701	18	"
City of Sydney	San Francisco	" 4	0.25 a.m.	Auckland	2	8.30 "	29	8	5	704	5	19 44	684	21	"
Australia and Taranaki	"	" 29	1.30 "	Port Chalmers	25	9.0 "	27	7	30	655	30	"	635	56	"
Rotorua and Zealandia	Port Chalmers	April 5	5.0 p.m.	San Francisco	5	8.30 "	29	15	30	711	30	19 34	731	4	"
City of New York	San Francisco	25	1.26 "	Auckland	19	12.38 p.m.	23	23	12	575	12	"	555	28	"
City of Sydney	Auckland	May 9	7.30 "	San Francisco	31	12.30 "	21	17	0	621	0	19 44	541	44	"
Zealandia	San Francisco	23	2.0 "	Auckland	16	5.14 a.m.	23	15	14	567	14	"	547	30	"
Australia	Auckland	June 6	2.0 "	San Francisco	28	10.20 "	21	20	20	524	20	19 44	544	4	"
City of Sydney	San Francisco	20	3.45 "	Auckland	15	6.0 "	24	14	15	590	15	"	570	31	"
City of New York	Auckland	July 4	5.55 "	San Francisco	26	5.40 "	21	11	45	515	45	19 44	535	29	"
Australia	San Francisco	18	1.30 "	Auckland	12	6.30 "	24	17	0	593	0	"	573	16	"
Zealandia	Auckland	" 1	3.5 "	San Francisco	22	9.10 "	20	18	5	498	5	19 44	517	49	"
City of New York	San Francisco	Aug. 15	2.29 "	Auckland	7	5.30 p.m.	23	3	1	555	1	"	535	17	"
City of Sydney	Auckland	" 29	2.30 "	San Francisco	20	8.40 a.m.	21	18	10	522	10	"	541	54	"
Australia	"	Sept. 26	3.35 "	"	17	8.30 "	20	16	55	496	55	19 44	516	39	"
Zealandia	San Francisco	" 12	3.25 "	Auckland	6	6.15 "	23	14	50	566	50	"	547	6	"
City of Sydney	"	Oct. 10	3.30 "	"	2	8.30 p.m.	23	5	0	557	0	19 44	537	16	"
Australia	"	Nov. 7	2.55 "	San Francisco	29	4.30 a.m.	21	13	35	517	35	"	497	51	"
City of New York	Auckland	Oct. 24	1.35 "	San Francisco	14	1.10 p.m.	20	23	35	503	35	19 44	523	19	"
Zealandia	"	Nov. 21	1.40 "	"	12	11.27 "	21	9	47	513	47	"	533	31	"
City of New York	San Francisco	Dec. 5	4.20 "	Auckland	28	1.35 "	22	21	15	549	15	19 44	529	31	"
City of Sydney	Auckland	19	1.25 "	San Francisco	10	6.5 a.m.	21	15	10	519	10	"	538	54	"
Zealandia	San Francisco	" 1878.	0.20 a.m.	Auckland	22	1.0 p.m.	21	12	40	516	40	19 44	496	56	"
City of Sydney	"	Jan. 1	11.30 p.m.	"	14	5.8 "	23	17	38	569	38	19 44	549	54	"
Australia	Auckland	" 8	8.5 "	San Francisco	29	5.18 "	20	21	13	501	13	"	520	57	"
Zealandia	San Francisco	Feb. 18	4.15 "	Auckland	12	4.45 "	22	30	0	528	30	19 44	508	46	"

W. GRAY,
Secretary.

General Post Office, Wellington, 30th March, 1878.

Enclosure 2 in No. 39.

MEMORANDUM.

THE voyages are all calculated on the basis of pilot to pilot, and, in cases where the exact time of boarding or debarkation of pilot has not been stated in the copy of the ship's log furnished to this Department, the following allowances, being an average for six voyages each way, have been made:—At San Francisco, 1 hour 30 minutes; at Auckland, 30 minutes; at Port Chalmers, 1 hour.

If the odd minutes for any voyage exceed thirty, the full hour has been reckoned, and, if the contrary, then they have been struck out.

In the adjustment of time the following formula has been adopted:—Port Chalmers to San Francisco add 24 hours, and deduct the difference of time between Port Chalmers and San Francisco, calculated to be 4 hours 26 minutes, which is equal to adding 19 hours 34 minutes. San Francisco to Port Chalmers deduct 24 hours, and add the difference as above. The difference of time between Auckland and San Francisco is calculated at 4 hours 16 minutes, which requires an addition or deduction, as the case may be, of 19 hours 44 minutes for adjustment of time.

W. GRAY.

No. 40.

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

SIR,—

Sydney, 28th January, 1878.

With reference to your letter, dated the 21st August last,* forwarding a copy of further correspondence relative to the claim made by Messrs. John Mackrell and Co., on behalf of Messrs. Foster and Thomson, for the sum of £119 4s. 6d., for law costs, telegrams, &c., in connection with the settlement of the San Francisco Mail Contract, and stating that the Postmaster-General of New Zealand would be willing to abide by any decision this Department might arrive at in the matter, I have the honor to inform you that, although it was considered the expense should in all fairness have been borne by the Contractors, the Government of this colony decided in September last to adopt the course (which would seem to be in accordance with the views of New Zealand) of allowing the claim in question to be paid by the Governments of the two colonies.

Mr. Burns considers, therefore, that the claim against the Contractors may now be abandoned, and the matter regarded as settled.

I have, &c.,

S. H. LAMBTON,
Secretary.

The Secretary, General Post Office, Wellington.

No. 41.

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

GENTLEMEN,—

General Post Office, Wellington, 28th March, 1878.

Adverting to my letter of the 23rd August last,† relative to the claim of Messrs. Foster and Thomson, of New York, for law costs in connection with the San Francisco Mail Service, I have now the honor to inform you that, as the Governments of New South Wales and this colony have agreed to abandon their claim against the Contractors for the amount of the account in question, the moiety thereof, £59 12s. 3d., deducted by this Department in the month of August, 1876, from subsidies then payable to the Contractors, will be refunded. A voucher for the amount will therefore be scheduled in your favour forthwith.

I have, &c.,

W. GRAY,
Secretary.

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

No. 42.

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

SIR,—

Sydney, 1st May, 1878.

We have the honor to acknowledge receipt of your letter dated 28th March, intimating that the Governments of New Zealand and New South Wales had agreed to abandon their claim against the Contractors for the amount of account for law costs of Messrs. Foster and Thomson, and that a voucher for your moiety thereof would be scheduled forthwith in our favour.

We thank you for this information, which we forward to the head office in due course.

We have, &c.,

GILCHRIST, WATT, AND CO.,

General Agents for the Contractors, San Francisco Mail Service.

The Hon. the Postmaster-General, Wellington.

No. 43.

The Hon. Mr. FISHER to the AGENT-GENERAL.

SIR,—

General Post Office, Wellington, 28th March, 1878.

Adverting to your communication of the 25th June last, relative to a matter pending between the Governments of this colony and of New South Wales and the Contractors for the San Francisco

* F.—4A., 1877, No. 40.

† F.—4A., 1877, No. 41.

Mail Service concerning the payment of certain law expenses incurred in New York, amounting to £119 4s. 6d., I have now the honor to inform you that the views expressed in your letter were represented to the Government of New South Wales, and that subsequent correspondence has been exchanged, resulting in a decision on behalf of both Governments to abandon their claim against the Pacific Mail Steamship Company for the amount of the account in question.

The sum of £59 12s. 3d., being the moiety of the claim deducted by this Department from subsidies payable to the Contractors, will therefore be refunded, and the necessary release from payment of the remaining half will be arranged by the Government of New South Wales.

The Agent-General for New Zealand, London.

I have, &c.,
J. T. FISHER.

No. 44.

Messrs. FOSTER and THOMSON to the Hon. the POSTMASTER-GENERAL.

SIR,—

New York, 29th January, 1878.

We enclose herewith letter from Messrs. John Mackrell and Co., of London, also duplicate declaration by the Pacific Mail Steamship Company and their sureties, in regard to the New South Wales and New Zealand Mail Service, which we have obtained to be executed by the said Company.

The Hon. the Postmaster-General, New Zealand.

We have, &c.,
FOSTER AND THOMSON.

No. 45.

Messrs. JOHN MACKRELL and Co. to the Hon. the POSTMASTER-GENERAL.

SIR,—

21, Cannon Street, London, E.C., 10th January, 1878.

We have the honor to transmit you herewith a deed of declaration, signed by the Pacific Mail Steamship Company and their sureties, sanctioning, for the year 1878, the carrying the mails by such an altered route and at such a rate of payment as may have been or may be agreed upon between yourself and the Postmaster-General of New South Wales and the Company.

We shall be obliged by your acknowledging the receipt.

The Hon. the Postmaster-General, New Zealand.

We have, &c.,
JOHN MACKRELL AND Co.

Enclosure in No. 45.

To all to whom these presents shall come we, the Pacific Mail Steamship Company of New York, in the United States of America, John Francis Ure, John Lennox Kincaid Jamieson, and William Pearce, of Glasgow, in Scotland, Engineers and Shipbuilders, trading under the style or firm of John Elder and Co.; and Donald Robert Macgregor, of Leith, in Scotland, Shipowner and M.P., send greeting: Whereas by a bond or obligation dated the twenty-third day of July, one thousand eight hundred and seventy-five, and sealed with the common seal of us the said Pacific Mail Steamship Company, and with the respective seals of us the said John Francis Ure, John Lennox Kincaid Jamieson, William Pearce, and Donald Robert Macgregor, we the said Pacific Mail Steamship Company, John Francis Ure, John Lennox Kincaid Jamieson, William Pearce, and Donald Robert Macgregor, acknowledge ourselves to be jointly and severally held and firmly bound to the Hon. John Fitzgerald Burns, the Postmaster-General of the Colony of New South Wales, as such Postmaster-General, and acting for and on behalf of the Government of such colony; and to the Hon. Sir Julius Vogel, a Knight Commander of the Most Distinguished Order of Saint Michael and Saint George, the Postmaster-General of the Colony of New Zealand, as such Postmaster-General, and acting for and on behalf of the Government of such colony, in the sum of twenty-five thousand pounds of lawful money of the United Kingdom of Great Britain and Ireland, to be paid to the said John Fitzgerald Burns and Sir Julius Vogel and their successors in their respective offices of Postmaster-General of the said Colony of New South Wales and Postmaster-General of the said Colony of New Zealand, which said bond or obligation, after reciting certain articles of agreement made and entered into on the twenty-third day of July, one thousand eight hundred and seventy-five, between the said John Fitzgerald Burns as Postmaster-General of and acting for and on behalf of the Government of the said Colony of New South Wales of the first part, the said Sir Julius Vogel as Postmaster-General of and acting for and on behalf of the Government of the said Colony of New Zealand of the second part, and the above bounden Pacific Mail Steamship Company of the third part, relating to and providing for the conveyance by the said Pacific Mail Steamship Company, during the period of eight years to be computed from the fifteenth day of November, one thousand eight hundred and seventy-five, of Her Majesty's mails and all other mails of whatever country or place which the Postmasters-General or either of them should at any time or from time to time require the said Pacific Mail Steamship Company to convey between Sydney and San Francisco and between San Francisco and Sydney, and between New Zealand and San Francisco and between San Francisco and New Zealand, and from and to all and every or any of these ports to and from the ports of Honolulu, in the Sandwich Islands, and Kandavau, in the Fiji Islands, according to the routes within the respective times and in manner in the said articles of agreement provided, is subject to a certain condition thereunder written, by which it is declared that, if in case the said Pacific Mail Steamship Company, while the whole or any part of the services by the said articles of agreement in the said bond or obligation recited agreed to be performed ought to be performed, shall not provide, or in case, having provided, they shall not keep seaworthy and in complete repair and readiness for the

purpose of conveying, for a period of eight years to be computed from the fifteenth day of November, one thousand eight hundred and seventy-five, all Her Majesty's mails which and all other mails which the Postmaster-General for the time being of the Colony of New South Wales and the Postmaster-General for the time being of the Colony of New Zealand or either of them shall, at any time or from time to time, require the said Pacific Mail Steamship Company to convey between Sydney and San Francisco and between San Francisco and Sydney, and between New Zealand and San Francisco and between San Francisco and New Zealand, and from and to all and every or any of those ports to and from the said ports of Honolulu and Kandavau, a sufficient number of and not less than five good, substantial, and efficient screw steam vessels of the first class, and fully equal to class 100 A1, Lloyd's register, and of not less gross registered tonnage than two thousand five hundred tons each, constructed of iron, and propelled by first-rate engines of adequate power for a minimum continuous speed of eleven nautical miles per hour, or in case any vessels shall be employed in the said service which shall not have been approved by the Postmasters-General or any officer or officers appointed by them for the purpose, or in case any vessel which, on any such survey as mentioned in the said articles of agreement recited in the said bond or obligation, shall have been disapproved of, or in which such deficiency or defect as in the said recited articles in the said bond or obligation mentioned shall have appeared, shall be employed in the conveyance of mails before such defect or deficiency has been repaired or supplied to the satisfaction of the Postmasters-General or officer requiring the same, the said Pacific Mail Steamship Company, John Francis Ure, John Lennox Kincaid Jamieson, William Pearce, and Donald Robert Macgregor, or some or one of them, or the successors, executors, or administrators of some or one of them, do and shall in any or either of the said cases pay unto the Postmasters-General of the said colonies the sum of twenty-five thousand pounds as and for liquidated damages, then the said bond or obligation now in recital shall be void :

And whereas, with the assent of us the said John Frances Ure, John Lennox Kincaid Jamieson, William Pearce, and Donald Robert Macgregor, Her Majesty's and other mails have (for a portion of the said period of eight years in the said condition of the said bond or obligation mentioned) been conveyed by the said Pacific Mail Steamship Company between the said Colonies of New South Wales and New Zealand and San Francisco and between San Francisco and the said colonies by other routes and within other times and at other rates of payment than those in the said articles of agreement mentioned : And whereas negotiations have for some time past been pending between the Postmasters-General and the said Pacific Mail Steamship Company for a permanent alteration of the routes by which, the times within which, and the rates of payment at which Her Majesty's and other mails should, according to the terms of the said articles of agreement, be conveyed between the said colonies and San Francisco, and between San Francisco and the said colonies, and, to enable a temporary arrangement or temporary arrangements to the like effect to be made, the said Company have requested permission from the present Postmasters-General of the said colonies respectively to continue to convey, during the year one thousand eight hundred and seventy-eight and (but only as hereinafter mentioned) during the year one thousand eight hundred and seventy-nine, Her Majesty's and other mails between the said colonies and San Francisco, and between San Francisco and the said colonies, by routes and within times and at rates of payment other than the routes times and rates of payment in the said articles of agreement mentioned, which permission the said Postmasters-General are disposed to grant if we the said John Francis Ure, John Lennox Kincaid Jamieson, William Pearce, and Donald Robert Macgregor will testify, by executing these presents, our assent to the variations which, during the year one thousand eight hundred and seventy-eight and (but only as hereinafter mentioned) during the year one thousand eight hundred and seventy-nine, shall or may be made in pursuance of such temporary arrangement or arrangements from the routes, times, and rates of payment in the said articles of agreement mentioned :

Now these presents witness that, notwithstanding that Her Majesty's and other mails which the Postmasters-General of the said colonies respectively or either of them may require the said Pacific Mail Steamship Company to convey between the said colonies and San Francisco and between San Francisco and the said colonies may, during the year one thousand eight hundred and seventy-eight, or during the year one thousand eight hundred and seventy-nine (but, as regards the year one thousand eight hundred and seventy-nine, in so far only as such mails shall be conveyed during the completion of any voyage or voyages commenced in the year one thousand eight hundred and seventy-eight), be conveyed by routes and within times and at rates of payment other than those in the said articles of agreement mentioned, we, the Pacific Mail Steamship Company, John Francis Ure, John Lennox Kincaid Jamieson, William Pearce, and Donald Robert Macgregor, still are and will continue to be jointly and severally held and firmly bound in the said sum of twenty-five thousand pounds in the said bond or obligation mentioned in the same manner in all respects as we should be if such mails had been or should continue to be conveyed according to the routes, within the times, and at the rates of payment in the said articles of agreement mentioned; and we declare that, if during the year one thousand eight hundred and seventy-eight or during the year one thousand eight hundred and seventy-nine, while the said mails shall be conveyed during the completion of any voyage or voyages commenced in the year one thousand eight hundred and seventy-eight, the mails shall be conveyed by routes other than those in the said articles of agreement mentioned, the said condition written under the said bond or obligation shall, if it be necessary so to do, be read and have the same force and effect as if, during the period when the mails shall be conveyed by such other routes, the words in the said condition "between Sydney and San Francisco and between San Francisco and Sydney, and between New Zealand and San Francisco and between San Francisco and New Zealand, and from and to all and every or any of those ports to and from the said ports of Honolulu and Kandavau," were not contained therein, and as if the following words "between Sydney and San Francisco, by way of Auckland, or any port in New Zealand which may from time to time be appointed by the Postmasters-General for the time being or either of them, and assented to or adopted by the said Pacific Mail Steamship Company, and between San Francisco and Sydney, by way of Auckland, or any port in New Zealand which may be so appointed and assented to or adopted as last aforesaid," were inserted in lieu thereof. And we do further declare that if the negotiations hereinafter mentioned shall be without

result, and no agreement for a permanent alteration of the routes by which the times within which and the rates of payment at which the said mails should, according to the terms of the said articles of agreement, be conveyed shall be arrived at, the said bond or obligation shall, notwithstanding, remain in full force and effect, and the said condition thereunder written shall, after the said mails shall have ceased to be conveyed by routes other than those in the said articles of agreement mentioned, cease to be read as if certain words were not contained therein, and as if certain other words were inserted in lieu thereof as hereinbefore provided for. In witness whereof the said Pacific Mail Steamship Company have hereunto caused their common seal to be affixed, and the said John Francis Ure, John Lennox Kincaid Jamieson, William Pearce, and Donald Robert Macgregor have hereunto set their hands and seals the twenty-fourth day of December, one thousand eight hundred and seventy-seven.

Signed, sealed, and delivered by the above-named (L.S.) JOHN F. URE.
John Francis Ure, in the presence of—

EBENEZER ERSKINE WALKER,
Cashier to John Elder and Co., Fairfield Works, Goran, near Glasgow.

Signed, sealed, and delivered by the above-named (L.S.) JOHN L. K. JAMIESON.
John Lennox Kincaid Jamieson, in the presence of—

EBENEZER ERSKINE WALKER,
Cashier to John Elder and Co., Fairfield Works, Goran, near Glasgow.

Signed, sealed, and delivered by the above-named (L.S.) WM. PEARCE.
William Pearce, in the presence of—

EBENEZER ERSKINE WALKER,
Cashier to John Elder and Co., Fairfield Works, Goran, near Glasgow.

Signed, sealed, and delivered by the above-named (L.S.) DONALD R. MACGREGOR.
Donald Robert Macgregor, in the presence of—

JAS. SMITH,
Of 5, Vanburgh Place, Leith.

Signed, sealed, and delivered by Wm. P. Clyde, (L.S.) WM. P. CLYDE,
President, in the presence of— President.

CHARLES S. HILL,
Notary Public, New York City.

State of New York, }
City of New York. }

On this 26th day of January, 1878, before me personally came William P. Clyde, President of the Pacific Mail Steamship Company, of New York City, to me personally known to be the said officer of said Company, who, being duly sworn, declared that he had signed the within instrument, and affixed the corporate seal of said Company thereunto by authority vested in him by the Board of Directors of the Company aforesaid.

(L.S.) CHARLES S. HILL,
Notary Public.

No. 46.

MR. GRAY to Messrs. J. MACKRELL and Co.

GENTLEMEN,—

General Post Office, Wellington, 28th March, 1878.

I have the honor, by direction of the Postmaster-General, to acknowledge the receipt of your letter of the 10th January last, forwarded through Messrs. Foster and Thomson, of New York, together with the deed of declaration sanctioning the adoption, in respect of the current year, of the modified San Francisco Mail Service,—the final signature to the deed, namely, that of the President of the Pacific Mail Steamship Company, having been obtained by Messrs. Foster and Thomson.

I have, &c.,

Messrs. John Mackrell and Co., 21, Cannon Street, London, E.C.

W. GRAY,
Secretary.

No. 47.

MR. GRAY to Messrs. FOSTER and THOMSON.

GENTLEMEN,—

General Post Office, Wellington, 28th March, 1878.

I am directed by the Hon. the Postmaster-General to acknowledge the receipt of your communication of the 29th January last, enclosing, duly completed, the deed forwarded to you by Messrs. J. Mackrell and Co., of London, for execution by the Pacific Mail Steamship Company, together with a letter from Messrs. Mackrell and Co. on the subject.

I have, &c.,

Messrs. Foster and Thomson,
69, Wall Street, P.O. box 1354, New York.

W. GRAY,
Secretary.

No. 48.

The AGENT-GENERAL to the Hon. the POSTMASTER-GENERAL.

SIR,—

7, Westminster Chambers, London, S.W., 12th February, 1878.

In continuation of my letter of the 31st January, I have the honor to enclose you a copy of a letter I have received from Messrs. Mackrell and Co., stating that their American agents have informed them that the duplicate declarations as to the mail service, duly executed by the Pacific Mail Steamship Company, have been forwarded to you, and to the Postmaster-General of New South Wales.

I have, &c.,

JULIUS VOGEL,
Agent-General.

The Hon. the Postmaster-General, Wellington.

Enclosure in No. 48.

Messrs. J. MACKRELL and Co. to the AGENT-GENERAL.

SIR,—

21, Cannon Street, London, E.C., 12th February, 1878.

We have a letter from our agents in New York, dated the 29th ult., informing us that they had on that date forwarded to the respective Postmasters-General for New South Wales and New Zealand the duplicate declarations as to the mail service, duly executed by the Pacific Mail Steamship Company.

We have also received from them the duplicate notice of the time-table, together with an affidavit of service.

We have, &c.,

JOHN MACKRELL AND Co.

The Agent-General for New Zealand.

No. 49.

The Hon. Mr. FISHER to the AGENT-GENERAL.

SIR,—

General Post Office, Wellington, 5th April, 1878.

I have the honor to acknowledge the receipt of your communication of the 12th February last, enclosing copy of a letter which you had received from Messrs. Mackrell and Co. relative to the deeds sanctioning the adoption of the modified San Francisco Service during the present year.

In reply, I beg to refer you to my letter of the 28th ultimo on this subject.

I have, &c.,

J. T. FISHER,

Postmaster-General, New Zealand.

The Agent-General for New Zealand, London.

No. 50.

The AGENT-GENERAL to the Hon. the POSTMASTER-GENERAL.

SIR,—

7, Westminster Chambers, London, S.W., 27th February, 1878.

In continuation of my letter of 12th instant, I have the honor to enclose you copy of a letter which I have received from Messrs. Mackrell and Co., enclosing a further communication from their American agents as to the due execution and despatch of the Pacific Company's deed of declaration; also acknowledging the receipt from their agents of the affidavit of service of the new time-table.

I have, &c.,

JULIUS VOGEL,

Agent-General.

The Hon. the Postmaster General, Wellington.

Enclosure in No. 50.

Messrs. J. MACKRELL and Co. to the AGENT-GENERAL.

21, Cannon Street, London, 14th February, 1878.

DEAR SIR JULIUS,—

New Postal Contracts.

Not published.

On the other side we send you a copy of a letter which we have received from our agents in New York, by which you will see that the deed of declaration as to the new postal contracts has been duly executed by the Pacific Mail Steamship Company, and has been forwarded to the Postmaster-General of the colony.

The duplicate notice and time-table and affidavit of service referred to in our agents' letter have come to hand, and are now in our custody.

We have, &c.,

JOHN MACKRELL AND Co.

The Agent-General for New Zealand.

No. 51.

The Hon. Mr. BALLANCE to the AGENT-GENERAL.

SIR,—

General Post Office, Wellington, 23rd April, 1878.

I have the honor to acknowledge the receipt of your communication of the 27th February, with enclosures, in further reference to the deed of declaration signed by the Pacific Mail Company in respect to the adoption during the current year of the modified San Francisco Mail Service.

I have, &c.,

J. BALLANCE.

The Agent-General for New Zealand, London.

No. 52.

The Hon. the COLONIAL SECRETARY, Sydney, to the Hon. the COLONIAL SECRETARY, Wellington.
 (Telegram.) Sydney, 8th December, 1877.
 I HAVE received the following telegram from Forster and Vogel, dated 19th ultimo: "Remember, Mail Company's sureties only bound for altered service during this year. Inform New Zealand."
 The Hon. the Colonial Secretary, Wellington. COLONIAL SECRETARY, Sydney.

No. 53.

The Hon. Colonel WHITMORE to the Hon. the COLONIAL SECRETARY, Sydney.
 (Telegram.) Wellington, 20th December, 1877.
Re your telegram of 8th. On 29th ultimo following sent Agent-General by telegram: "Fr'isco Service—Contractors and sureties should renew bond expiring December." If you consider joint action desirable, please telegraph Agents-General on behalf of both Governments.
 The Hon. the Colonial Secretary, Sydney. G. S. WHITMORE,
 Colonial Secretary.

No. 54.

The AGENT-GENERAL to the Hon. the POSTMASTER-GENERAL.
 7, Westminster Chambers, London, S.W., 23rd November, 1877.
 SIR,— I have the honor to inform you that, it having occurred to me that the consent of the sureties to the altered mail service was limited to this year, I drew the attention of Mr. Mackrell to the matter, and, on the advice of that gentleman, a joint telegram was sent by the Agent-General for New South Wales and myself to the Government of New South Wales, reminding them of the above-mentioned fact, and requesting them to make a similar communication to the Government of New Zealand.

I have, &c.,
 JULIUS VOGEL,
 Agent-General.

The Hon. the Postmaster-General, Wellington.

No. 55.

Mr. LAMBTON to the SECRETARY, General Post Office, Wellington.
 Sydney, 30th November, 1877.
 SIR,— I have the honor to enclose herewith, for the information of the Postmaster-General of New Zealand, copies of correspondence which has passed between this Department and Messrs. Gilchrist, Watt, and Co., agents for the Contractors for the Pacific Mail Service, in reference to the new time schedule, as also a copy of a communication addressed to the Crown Solicitor on the same subject.

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

The Secretary, General Post Office, Wellington.

Enclosure 1 in No. 55.

Mr. LAMBTON to Messrs. GILCHRIST, WATT, and Co.
 General Post Office, Sydney, 19th November, 1877.
 GENTLEMEN,— I am directed to forward, for your information, a copy of a time-table for the regulation of the San Francisco Mail Service, prepared by this Department,* and approved of by the Postmaster-General of New Zealand, which has been framed to secure a satisfactory alternation with the Melbourne Suez Service, and especially to obviate the arrival at Sydney of the San Francisco mail on the same day as, or within a day or two of the arrival of, the Suez mail, which has been found to be the case under the existing time-table.
 I am to state that the Postmaster-General would be glad to have an early expression of your views in regard to this time-table before it is finally issued, as the Postmaster-General of New Zealand is desirous of adopting it from January next, and Mr. Davis would also like to secure its adoption from that date.

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

Messrs. Gilchrist, Watt, and Co.,
 General Agents for the Contractors, San Francisco Mail Service, Sydney.

Enclosure 2 in No. 55.

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

SIR,—

Sydney, 21st November, 1877.

We have the honor to acknowledge receipt of your letter, dated 19th instant, enclosing copy of proposed time-table for mail service *via* San Francisco.

We shall be happy to carry out any time-table the Postmasters-General see fit to agree upon.

In fixing day of departure from England, we hope it may be borne in mind to suit it to the sailing day of the fast Atlantic steamers.

We beg that early intimation may be given us of the adoption, as telegrams will have to be sent to San Francisco, New York, and London.

We have, &c.,

GILCHRIST, WATT, AND Co.,

General Agents for the Contractors, San Francisco Mail Service.

The Hon. the Postmaster-General, Sydney.

Enclosure 3 in No. 55.

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

GENTLEMEN,—

General Post Office, Sydney, 24th November, 1877.

Referring to your letter dated the 21st instant, in reply to mine of the 19th idem, I am directed to state that the enclosed time schedule has now been approved by the Postmasters-General of this colony and New Zealand, and to request that you will be good enough to take what action may be needful to give effect thereto in January next, *i.e.*, to commence with the departure of the packet from Sydney on the 3rd January, 1878, and from San Francisco about the 21st January, bringing on the mail of the 3rd January from London.

I shall be obliged by an acknowledgment hereof.

I have, &c.,

Messrs. Gilchrist, Watt, and Co.,

S. H. LAMBTON,

Agents for Contractors, Pacific Mail Service, Sydney.

Secretary.

Enclosure 4 in No. 55.

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

SIR,—

Sydney, 27th November, 1877.

We have the honor to acknowledge receipt of your letter, dated 24th instant, intimating that the Postmasters-General had approved of the new time schedule for the San Francisco Mail Service, and in reply to state that we will use our best efforts towards carrying the same into effect at the time appointed.

We have, &c.,

GILCHRIST, WATT, AND Co.,

General Agents for the Contractors, San Francisco Mail Service.

The Hon. the Postmaster-General, Sydney.

P.S.—We will write to San Francisco and New York by next outgoing mail, and telegraph when communication is restored. We presume that all the necessary directions regarding despatch from London of the mails have been already sent forward.—G., W., AND Co.

Enclosure 5 in No. 55.

Mr. LAMBTON to the CROWN SOLICITOR, Sydney.

SIR,—

General Post Office, Sydney, 28th November, 1877.

I am directed to inform you that the Postmasters-General of this colony and New Zealand have approved of a new time-table (copy enclosed), to come into operation on the 3rd January next, for the regulation of the mail service between Sydney and San Francisco by way of Auckland.

I am to refer you to my letter dated the 13th instant, forwarding for your perusal a deed received from Messrs. John Mackreil and Co., of London, through Messrs. Foster and Thomson, of New York, which has been executed in duplicate by the Pacific Mail Company and their sureties, for the purpose of legalizing the temporary modification of the San Francisco Mail Contract as regards the route and the time to be taken during the current year, or during voyages commenced during 1877 and terminated in 1878, and I am to point out that the new time-table in question is so framed as to continue on the deviation from the route, and the extra number of hours necessarily occupied in the performance of the voyages by way of Auckland.

I am also to enclose copies of correspondence that has taken place between Messrs. Gilchrist, Watt, and Co. and this Department, as well as a copy of a telegram to the Agent-General, London, in reference to this new time-table, and to request that you will be so good as to advise whether any other legal steps are necessary to be taken by this department in connection with this matter to notify the change to Contractors, or to secure the liability of sureties.

The Crown Solicitor, Sydney.

I have, &c.,

S. H. LAMBTON.

Enclosure 6 in No. 55.

COPY of TELEGRAM sent to AGENT-GENERAL, London.

POSTMASTERS-GENERAL, New Zealand and New South Wales, concur in new monthly time schedule, Frisco Service, following basis:—Outward leave London Thursday, January 3rd; leave Frisco about 21st January; arrive Auckland February 13th; arrive Sydney 18th February; leave Sydney 3rd January, Auckland 8th January; arrive Frisco 31st January, London 18th February. Immediately give Contractors and Post Offices, London, Washington, Frisco, formal notice of this change. Reply.

No. 56.

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

SIR,— General Post Office, Wellington, 28th December, 1877.

I am directed to acknowledge the receipt of your communication of the 30th ultimo, enclosing copies of correspondence which had been exchanged between your Department and Messrs. Gilchrist, Watt, and Co., relative to the new time schedule for the San Francisco Service.

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

The Secretary, General Post Office, Sydney.

No. 57.

The Hon. the COLONIAL SECRETARY, Sydney, to the Hon. the COLONIAL SECRETARY, Wellington.

(Telegram.)

Sydney, 20th December, 1877.

I HAVE received the following telegram from Forster and Vogel, dated the 17th instant:—"Mackrell instructed obtained consent Contractors and sureties to deviation from contract, without which he advises cannot give notice of new time-table. We strongly advise announce Tuesday date arrival London; very rarely mails delivered Monday. Constant failure would discredit service. Inform New Zealand. Reply prompt."

The Hon. the Colonial Secretary, Wellington.

COLONIAL SECRETARY, Sydney.

No. 58.

The Hon. Mr. FISHER to the COLONIAL SECRETARY, Sydney.

(Telegram.)

Wellington, 21st December, 1877.

AGENTS-GENERAL telegram received. Time-table prepared by your Post Office. That office no doubt satisfied mails could be delivered London Tuesday with regularity. Do you advise Tuesday be adhered to? I consider time allowed reasonable, but at same time recognize there is considerable force in Agents-General objection. Time-tables now public, and if alteration must be made should be made at once.

The Hon. the Colonial Secretary, Sydney.

J. T. FISHER,
(for Colonial Secretary.)

No. 59.

The Hon. Mr. BURNS to the Hon. the POSTMASTER-GENERAL, Wellington.

(Telegram.)

Sydney, 21st December, 1877.

REFERENCE to telegram Agent-General 17th instant, I propose sending following reply:—"You may fix either Monday or Tuesday as day arrival London. First mail leaves Sydney 3rd January." Do you concur? Reply immediately.

The Hon. the Postmaster-General, Wellington.

J. F. BURNS.

No. 60.

The Hon. Mr. FISHER to the Hon. the POSTMASTER-GENERAL, Sydney.

(Telegram.)

Wellington, 22nd December, 1877.

PLEASE see telegram sent Colonial Secretary yesterday. Instead of your proposed reply, would suggest that Agents-General be authorized to fix Tuesday as day of arrival London. This would obviate uncertainty and delay. If you agree, please instruct Agents-General. Kindly reply to-day.

The Hon. the Postmaster-General, Sydney.

J. T. FISHER,
Postmaster-General.

No. 61.

The Hon. Mr. BURNS to the Hon. the POSTMASTER-GENERAL, Wellington.

(Telegram.)

Sydney, 22nd December, 1877.

AGENTS-GENERAL have to-day been authorized to fix Tuesday as day arrival London.

The Hon. the Postmaster-General, Wellington,

J. F. BURNS,
Postmaster-General.

No. 62.

The Hon. the COLONIAL SECRETARY, Sydney, to the Hon. the COLONIAL SECRETARY, Wellington.
(Telegram.) Sydney, 14th January, 1878.

HAVE received the following telegram from Forster and Vogel, dated 10th instant:—"Sureties signed documents renewing deed 1877 for 1878. We hand it Company for signature, with notice of time-table. We understand you do not wish us move any agreement with Company. Inform New Zealand."

The Hon. the Colonial Secretary, Wellington.

COLONIAL SECRETARY, Sydney.

No. 63.

The Hon. Mr. FISHER to the AGENT-GENERAL.

SIR,—

General Post Office, Wellington, 28th March, 1878.

I have the honor to acknowledge the receipt from the Colonial Secretary, Sydney, of a copy of the telegram forwarded by you on the 10th January last jointly with the Agent-General of New South Wales, intimating that the sureties for the Contractors for the San Francisco Mail Service had signed the necessary deed sanctioning the adoption during the current year of the modified San Francisco Service. An original deed, duly executed by the President of the Pacific Mail Steamship Company, has since reached this office.

The Agent-General for New Zealand, London.

I have, &c.,
J. T. FISHER.

No. 64.

The AGENT-GENERAL to the Hon. the POSTMASTER-GENERAL.

SIR,—

7, Westminster Chambers, London, S.W., 21st December, 1877.

I attach copy of a telegram received from the Hon. the Premier concerning the San Francisco Service. On communicating with the Agent-General of New South Wales, I found he had a similar telegram from his Government. We consulted together, and decided to send telegram (copy attached) urging the two Governments to notify Tuesday instead of Monday as the day of arrival in London. It would be very damaging to the service to name Monday, as four times out of five the mails would not be delivered until Tuesday, and the reputation of the Service suffer accordingly.

We at once communicated with Mr. Mackrell, who advised that the consent of the sureties must precede the publication of the time-table, and undertook to endeavour to obtain their consent. I am aware, from verbal information since received, that he is exerting himself to the utmost to obtain the consent. The time is very short to the end of the year, but I hope everything will be satisfactorily arranged.

It is right to mention that Mr. Gray's thoughtfulness in sending me unofficially a copy of the time-table he had received just before the departure of the mail was very useful. The Agent-General of New South Wales had not a copy. On examining it, it gave the times for the whole year, evidently in accord with the telegram received; and it will thus enable us to give notice for the whole year instead of for the two or three months telegraphed.

I mention this particularly, as frequently the early receipt of a document of the kind is of great importance.

The Hon. the Postmaster-General, Wellington.

I have, &c.,
JULIUS VOGEL,
Agent-General.

Enclosure in No. 64.

The Hon. the PREMIER to the AGENT-GENERAL.

(Telegram.)

Wellington, 16th December, 1877.

FRISCO Service amended time-table. From January, mails leave London third and thirty-first January. Mails hence due London February eighteen. Contractors accepted table. Inform Post Office. Contractors and sureties should renew bond expiring December.

The Agent-General for New Zealand, London.

G. GREY.

No. 65.

COPY of Despatch from the Right Hon. the SECRETARY of STATE for the COLONIES to His Excellency the GOVERNOR.

MY LORD,—

Downing Street, 1st January, 1878.

I have the honor to transmit to you, for communication to your Ministers, a copy of a letter which I have received from the Postmaster-General, pointing out the inconvenience which is likely to result from the sudden change made by your Government and by the Government of New South Wales in the date of departure from this country of the mails for Australia and New Zealand by way of San Francisco.

Governor the Most Hon. the Marquis of Normanby,
K.C.M.G., &c., &c.

I have, &c.,
CARNARVON.

Enclosure in No. 65.

The GENERAL POST OFFICE to the COLONIAL OFFICE.

SIR,—

General Post Office, London, 28th December, 1877.

I am directed by the Postmaster-General to transmit to you, to be laid before the Earl of Carnarvon, the enclosed copy of a letter which has this day been received from the Agents-General for New Zealand and New South Wales, announcing an alteration in the arrangements for despatching the mails for New South Wales and New Zealand by the route of San Francisco, whereby the next mail must be made up and forwarded from London on the evening of Thursday, the 3rd January, instead of on the 10th, as previously announced, and all subsequent mails in 1878 will be despatched a week in advance of the dates already advertised.

Lord John Manners has taken proper measures for announcing this change to the public; but he fears that much inconvenience will be caused by its having been made so suddenly, and at a period of the year when all the official publications showing the colonial mail arrangements for 1878 had just been circulated both in this country and abroad. The change is the more inconvenient as it involves a departure a week in advance of the usual time.

It will be impossible to get the amended notices into the hands of the public generally before the despatch of the mail of the 3rd January, and many letters will no doubt be posted too late for that mail.

Lord Carnarvon will probably think it advisable to address a communication to the Governments of New South Wales and New Zealand on the subject, pointing out the inconvenience likely to result from the sudden change made in the colonial mail arrangements.

R. G. W. Herbert, Esq.

I have, &c.,

WM. JAS. PAGE.

No. 66.

The Hon. the PREMIER to His Excellency the GOVERNOR.

Memorandum for His Excellency.

MINISTERS have the honor to return to His Excellency the despatches from the Secretary of State for the Colonies respecting the London dates of departure of mails forwarded *via* San Francisco.

Ministers regret any inconvenience that may have been caused by a recent change in those dates. The change was considered by the contracting Governments to be of importance in the interests of the Service, and it was made known in London without avoidable delay.

Copy of a memorandum on the subject by the Secretary to the Post Office is respectfully submitted for His Excellency's information.

Wellington, 18th March, 1878.

G. GREY.

Enclosure in No. 66.

MEMORANDUM by Mr. GRAY to the Hon. the POSTMASTER-GENERAL.

THE delay in notifying the particulars of the San Francisco Service new time-table was unavoidable, and the Agents-General explained this to the London Post Office. Before the time-table could be officially published in London the consent of the Contractors' sureties to the alterations had to be procured. One of these gentlemen being abroad at the time his signature was required precluded the Agents-General from giving more timely notice to the London Post Office. Everything was done to prevent public inconvenience, and the altered time-table is now in full operation.

General Post Office, Wellington, 12th March, 1878.

W. GRAY.

No. 67.

The AGENT-GENERAL to the Hon. the POSTMASTER-GENERAL.

SIR,—

7, Westminster Chambers, London, S.W., 3rd January, 1878.

In continuation of my letter of the 21st December, concerning proposed new arrangement of San Francisco Mail Service, I have the honor to inform you that on the following day I received a letter from Messrs. John Mackrell and Co., of which I enclose a copy, informing me that they had received an intimation from Messrs. John Elder and Co. that they were willing to assent to the proposed arrangement with the Pacific Company, and also that Mr. Macgregor was willing to assent, but that they had not yet received a reply from the Pacific Company. The Agent-General for New South Wales concurred with me in Messrs. Mackrell's suggestion, that the document prepared for the sureties' signature should be sent to them without waiting for the answer of the Pacific Company. Messrs. Mackrell have since received an intimation from Messrs. Elder that one of the firm, being abroad, cannot at present sign the deed. They thereupon asked that the other members of the firm, and Mr. Macgregor, should sign at once. I have not yet been informed that the signatures have been obtained.

On the 24th December I received the telegram of which I enclose copy from the Hon. the Chief Secretary at Sydney, conveying the assent of the two Governments to the suggestion contained in the joint telegram despatched by Mr. Forster and myself on the 17th, that Tuesday should be fixed as the day of arrival in London. Without the deed being actually signed Messrs. Mackrell advised us that we ran great risk in altering the times. We delayed giving notice to the Post Office until the

last moment. We then gave notice in such a manner as to be least calculated to relieve the sureties of their responsibility. We then addressed to Mr. Tilley the letter of which I enclose a copy. I also enclose a copy of his reply, stating the perfect willingness of the Postmaster-General to accede to our wishes, but pointing out that some confusion and inconvenience to the public must be expected to ensue from the fact of the new arrangements being only notified to the Department after its usual Annual Time-Table for the Australian Mail Services of 1878 had been already issued and widely circulated, and the Official Postal Guide for the quarter had gone to press. A special notice was, however, at once issued by the Post Office to all Postmasters, and the paragraph of which I subjoin a copy was issued by Mr. Forster and myself, and widely circulated through the Press.

On receipt of Mr. Tilley's letter above referred to, Mr. Forster and I addressed the telegram of which I subjoin a copy to the Pacific Mail Steamship Company, informing them that the mails would be despatched from London on the 3rd instead of the 10th instant. As I have already said, Messrs. Mackrell advised that, until the deed above referred to had been actually executed by the sureties, no public announcement should be made of the time-table beyond the present month, as such promulgation, without their previous assent, would have the effect of releasing them from the contract.

The time-table for the year, of which I enclose a copy, has therefore not been in any way published as yet by us.

I have, &c.,

JULIUS VOGEL,
Agent-General.

The Hon. the Postmaster-General, Wellington.

Enclosure 1 in No. 67.

Messrs. MACKRELL and Co. to the AGENT-GENERAL for NEW SOUTH WALES.

21, Cannon Street, 21st December, 1877.

DEAR SIR,—

Pacific Mail Service.

We have now received from Messrs. John Elder and Co. their own assent to the proposed arrangement with the Pacific Company, and also a copy of a letter they have received from Mr. Macgregor, giving his assent to it.

We have not yet received any answer to our cablegram to the Pacific Company. The document to be signed by the sureties is ready, and we propose sending it to them without waiting for the answer of the Pacific Company, but shall be glad to know, before having it engrossed, whether you and Sir Julius Vogel wish to confer upon it. It is an echo of the one signed before, of which you both approved.

We have, &c.,

The Agent-General for New South Wales.

JOHN MACKRELL AND Co.

Enclosure 2 in No. 67.

The AGENTS-GENERAL to the CHIEF SECRETARY, Sydney.

(Telegram.)

London, 17th December, 1877.

MACKRELL instructed obtain consent of Contractors and sureties to deviation from contract, without which he advises cannot give notice of new time-table. We strongly advise announce Tuesday date arrival London. Very rarely mails delivered Monday. Constant failure would discredit service. Inform New Zealand. Reply promptly.

The Hon. the Chief Secretary, Sydney.

W. FORSTER.
J. VOGEL.

Enclosure 3 in No. 67.

The Hon. the CHIEF SECRETARY, Sydney, to Mr. FORSTER and Sir J. VOGEL, London.

(Telegram received 24th December, 1877.)

FIX Tuesday as day arrival London. First mail leaves Sydney 3rd January.

W. Forster, Esq., and Sir J. Vogel, London.

CHIEF SECRETARY, Sydney.

Enclosure 4 in No. 67.

The AGENTS-GENERAL to the SECRETARY, General Post Office, London.

SIR,—

3, Westminster Chambers, Victoria Street, 27th December, 1877.

We have been instructed by telegram that arrangements have been made to alter the time-table of the San Francisco Service, and with this end we are requested to see that the mails are despatched from London on the 3rd January, instead of the 10th. We shall be able to give you the time-table for the whole year in a few days; meanwhile, we have to ask you to make up and despatch the usual monthly mail on the 3rd instead of the 10th, and to give the requisite notice of the change.

We regret the trouble which we fear may be caused to you by this intimation, which we are compelled to make more suddenly than we should have desired. We shall be prepared to repay any expenditure involved by the new announcements which it is now necessary to make to the public and to persons or institutions specially concerned.

We have, &c.,

JULIUS VOGEL,
Agent-General for New Zealand.
A. A. JOPP, Captain, R.E.,
(for Agent-General for New South Wales.)

The Secretary, General Post Office, London, E.C.

Enclosure 5 in No. 67.

Mr. TILLEY to the AGENTS-GENERAL.

SIR,—

General Post Office, London, 28th December, 1877.

I beg leave to acknowledge the receipt of your letter of the 27th instant, in which you inform me that, according to a telegram just received, an alteration has been made in the dates appointed for despatching from San Francisco the colonial mail packet conveying the mails for New South Wales and New Zealand, and that, to meet this alteration, the next mail from London must be despatched on the 3rd January, instead of on the 10th as previously arranged, the subsequent mails being also despatched a week in advance of the dates previously fixed.

The Postmaster-General will at once take the necessary measures for notifying this change to the public, and will make arrangements for despatching the mails in accordance with your request; but His Lordship desires me to point out that the time-tables of the Australian mail services for the year 1878 had already, before the receipt of your letter, been published, and widely circulated, and that this sudden alteration is likely to give rise to considerable inconvenience to the public in the United Kingdom.

The British Postal Guide also, for the first quarter of the year 1878, is just issuing from the press, and will now be incorrect as regards the mails for New South Wales and New Zealand, thus misleading many persons.

I have, &c.,

JOHN TILLEY.

The Agents-General for New South Wales, &c., &c.

Enclosure 6 in No. 67.

The AGENTS-GENERAL to the PACIFIC MAIL STEAMSHIP COMPANY, New York.

(Telegram.)

London, 28th December, 1877.

THE New South Wales and New Zealand mails will be despatched from London to New York on 3rd January instead of on 10th.

W. FORSTER,
JULIUS VOGEL.

The Pacific Mail Company, New York.

No. 68.

The AGENT-GENERAL to the Hon. the POSTMASTER-GENERAL.

SIR,—

7, Westminster Chambers, London, S.W., 14th January, 1878.

I have the honor to acknowledge the receipt of your letter of 17th November,* forwarding for my information a copy of a time-table submitted by the Postmaster-General of New South Wales for the regulation of the San Francisco Mail Service for the present year. My letter of the 21st December will have already informed you how I have dealt with the question.

I have, &c.,

JULIUS VOGEL,
Agent-General.

The Hon. the Postmaster-General, Wellington.

No. 69.

The AGENT-GENERAL to the Hon. the POSTMASTER-GENERAL.

SIR,—

7, Westminster Chambers, London, S.W., 31st January, 1878.

In continuation of my letter of the 3rd instant, on the subject of the legal and other arrangements necessary in connection with the time-table for the San Francisco Mail Service during the present year, I have the honor to inform you that, having been apprised by Mr. Mackrell that he had received a telegram notifying that the sureties had signed the deed, after a conference with that gentleman on the 8th instant, it was decided by the Agent-General for New South Wales and myself to issue the various notices to the Pacific Mail Steamship Company, the Postmaster-General of the United States, and the Postmaster, San Francisco, of which I enclose copies.

I have also to enclose a letter from Mr. Mackrell, written subsequently to our conference, on the 9th instant, and beg to draw your attention, according to his suggestion, to the opinion he expresses respecting your relation to the Pacific Company in paragraph 3 of his letter.

On the 9th instant Mr. Forster and I officially communicated the new time-table for the year to the Secretary of the General Post Office. I am glad again to acknowledge the promptitude and care with which the Postmaster-General at once directed the correction, as far as possible, of the time-table of the year, and issued a further special notice to all Post Offices in the United Kingdom on the subject.

On the 10th instant we addressed the telegram of which I subjoin a copy to the Colonial Secretary at Sydney, desiring that you should be duly informed of its contents.

On the 11th instant I received the letter of Messrs. Mackrell and Co., of which I enclose a copy, with an attested copy of the deed, which I also forward herewith.

Since its execution, I regret to state that Mr. Macgregor, M.P., one of the sureties, has suspended payment. I enclose copy of Messrs. Mackrell's letter on the subject, and of a letter stating the course which Mr. Forster and I have authorized him to pursue in consequence.

I have further to enclose you a copy of a letter which I have received from Messrs. Charles Clark and Co., enclosing extract of a cablegram addressed to them by the Pacific Mail Steamship

Company, requesting that in future any changes in the order of the Service may be advised to them at least two weeks in advance, to which is subjoined a copy of the reply I have directed to be addressed to them.

The Hon. the Postmaster-General, Wellington.

I have, &c.,
JULIUS VOGEL,
 Agent-General.

Enclosure 1 in No. 69.

The AGENTS-GENERAL to the PACIFIC MAIL STEAMSHIP COMPANY.

GENTLEMEN,—

Referring to the contract entered into between yourselves and the Postmasters-General of the Colonies of New South Wales and New Zealand, we hereby, as Agents for and on behalf of such Postmasters-General, give you notice and require you to receive, convey, and deliver at San Francisco, Auckland, and Sydney Her Majesty's mails and all other mails which may be intrusted to you by the Postmasters-General of the said colonies respectively, at or according to the dates or times in the table herewith annexed respectively mentioned.

Dated at London the eighth day of January, one thousand eight hundred and seventy-eight.

The Pacific Mail Steamship Company.

WILLIAM FORSTER,
 Agent-General for New South Wales.
JULIUS VOGEL,
 Agent-General for New Zealand.

Enclosure 2 in No. 69.

The AGENTS-GENERAL to the Hon. the POSTMASTER-GENERAL, Washington.

SIR,—

London, 8th January, 1878.

We have the honor to enclose herewith the time-table for the mail service between Great Britain, New Zealand, and New South Wales, by way of San Francisco, for the year 1878.

You will observe that the dates have been put back, and that they are about one week earlier throughout than would have been the case if the times had been continued at intervals of four weeks from those of 1877.

The day of arrival in London has been notified as Tuesday instead of Thursday, it being believed that this day can now be relied upon, with rapid transit through America and carriage across the Atlantic in boats of the Inman or White Star line.

The Hon. the Postmaster-General, United States,
 Washington.

We have, &c.,
WILLIAM FORSTER,
 Agent-General for New South Wales.
JULIUS VOGEL,
 Agent-General for New Zealand.

Enclosure 3 in No. 69.

The AGENTS-GENERAL to the POSTMASTER, San Francisco.

SIR,—

London, 8th January, 1878.

We have the honor to enclose herewith the time-table for the mail service between Great Britain, New Zealand, and New South Wales, by way of San Francisco, for the year 1878.

You will observe that the dates have been put back, and that they are about one week earlier throughout than would have been the case if the times had been continued at intervals of four weeks from those of 1877.

The day of arrival in London has been notified as Tuesday instead of Thursday, it being believed that this day can now be relied upon, with rapid transit through America and carriage across the Atlantic in boats of the Inman or White Star line.

The Hon. the Postmaster, San Francisco.

We have, &c.,
WILLIAM FORSTER,
 Agent-General for New South Wales
JULIUS VOGEL,
 Agent-General for New Zealand.

Enclosure 4 in No. 69.

MESSRS. J. MACKRELL and Co. to the AGENT-GENERAL for NEW ZEALAND.

21, Cannon Street, London, 9th January, 1878.

DEAR SIR JULIUS,—

Pacific Mail Contract.

We received, as you are aware, a telegram from Messrs. Elder and Co., stating that the deed we had sent them for execution by the sureties, giving a similar sanction to arrangements for 1878 as was given to arrangements in 1877, had been executed by Mr. Macgregor and the members of their firm; and, as arranged at the conference we have had to-day with yourself and Captain Jopp, we now write advising as to the course which you should take.

The deed has not yet reached us, and we have written again, pressing to have it forwarded; but we have every confidence in the correctness of the telegram we have received. As soon as it is received we propose to send it to our agents in New York, for execution by the Pacific Mail Company, accompanied by the new time-table, and a notice from yourself and Mr. Forster on behalf of the Postmasters-General, requiring the new time-table to be observed.

We have prepared the notice to be given, and sent same in duplicate to the Agent-General for New South Wales for signature by yourself and him.

The cablegrams received by you do not request you or Mr. Forster to make any arrangements with the Pacific Company, so that it may be assumed that the Governments are satisfied to rest upon such arrangements as have been made between themselves and the Company.

In informing the Governments of the execution of the deed by the sureties, it may be desirable to draw attention to this point, and the following is the cablegram settled with yourself and Captain Jopp to be sent by the Agent-General of New South Wales to his Government:—

“Sureties signed documents renewing deed 1877 for 1878. We send it Company for signature, with notice of time-table. We understand you do not wish us make any agreement with Company. Inform New Zealand.”

We see no objection to a notice of the new time-table being sent to the Post Office authorities here.

The Agent-General for New Zealand.

We have, &c.,

JOHN MACKRELL AND Co.

Enclosure 5 in No. 69.

The AGENTS-GENERAL to the SECRETARY, General Post Office, London.

SIR,—

9th January, 1878.

Adverting to our letter to you of the 27th ultimo, relating to the mail service between Great Britain, New Zealand, and New South Wales, by way of San Francisco, we have now the honor to enclose herewith, as promised in our above-quoted letter, a copy of the detailed time-table for the year 1878.

We have, &c.,

WILLIAM FORSTER,
Agent-General for New South Wales.

JULIUS VOGEL,
Agent-General for New Zealand.

The Secretary, General Post Office, London.

Enclosure 6 in No. 69.

The AGENTS-GENERAL to the Hon. the CHIEF SECRETARY, Sydney.

(Telegram.)

London, 10th January, 1878.

SURETIES signed document renewing deed 1877 for 1878. We send it Company for signature, with notice of time-table. We understand you do not wish us make any agreement with Company. Inform New Zealand.

The Hon. the Chief Secretary, Sydney.

W. FORSTER.
JULIUS VOGEL.

Enclosure 7 in No. 69.

Messrs. J. MACKRELL and Co. to the AGENT-GENERAL for NEW ZEALAND.

21, Cannon Street, London, E.C., 11th January, 1878.

DEAR SIR JULIUS,—

Pacific Mail Postal Contract.

We have to advise you that we yesterday received from the sureties the deed in duplicate authorizing, during 1878, arrangements with this Company in variation of the contract as to route, times of delivery of mails, and rates of payment, and by yesterday's mail forwarded the same to our agents at New York, with instructions to get the same executed by the Company, and then to forward one part to the Postmaster-General of your colony, at Wellington. We at the same time sent to our agents, for service on the Company, the notice, signed by yourself and Mr. Forster, requiring the mails to be carried according to the new table thereto attached.

We now send you, for your Government, an attested copy of the deed as executed by the sureties, and a copy of the notice, to which please attach a print of the time-table.

The Agent-General for New Zealand.

We have, &c.,

JOHN MACKRELL AND Co.

Enclosure 8 in No. 69.

Messrs. J. MACKRELL and Co. to the AGENT-GENERAL for NEW ZEALAND.

21, Cannon Street, London, E.C., 16th January, 1878.

DEAR SIR JULIUS,—

Pacific Mail Contract.

We regret to have to report that Mr. Macgregor, one of the sureties for the performance by the Pacific Steamship Company of their contract with the Postmasters-General of the Colonies of New Zealand and New South Wales, has suspended payment.

5—F. 4.

We are not aware that any breach has yet taken place in the performance of the contract which would entitle the Postmasters-General to make any claim upon Mr. Macgregor's estate, and the liability which he is under in respect of any possible breach in the future seems to us to be a contingency incapable of being valued; so that no claim could be made upon Mr. Macgregor's estate. If this be so, he would not, by any arrangement which may be made with his creditors, be relieved of his liability under the bond, but of course the value of his suretyship is very seriously affected by his misfortune.

The arrangement with the Pacific Company does not entitle the Postmasters-General to require the substitution of any new surety in Mr. Macgregor's place. There is, therefore, no alternative but to allow matters to remain as they are. It might, however, be as well that you should authorize us to communicate to whoever may be appointed the trustee of Mr. Macgregor's estate the nature of the liability he is under to the Postmasters-General.

You will no doubt think it right to communicate what has happened to your Government.

The Agent-General for New Zealand.

We have, &c.,

JOHN MACKRELL AND CO.

Enclosure 9 in No. 69.

The AGENTS-GENERAL to MESSRS. J. MACKRELL and Co.

GENTLEMEN,—

16th January, 1878.

In reply to your letter of yesterday, in which you report that Mr. Macgregor, one of the sureties for the performance by the Pacific Steamship Company of their San Francisco Mail Contract, has suspended payment, we authorize you, as suggested in the latter part of your letter, to communicate to whoever may be appointed the trustee of Mr. Macgregor's estate the nature of the liability he is under to the Postmasters-General of New South Wales and New Zealand.

We have, &c.,

WILLIAM FORSTER.

JULIUS VOGEL.

Messrs. John Mackrell and Co., 21, Cannon Street, E.C.

Enclosure 10 in No. 69.

Messrs. CHARLES CLARK and Co. to the AGENT-GENERAL for NEW ZEALAND.

DEAR SIR,—

Windsor Chambers, Great Saint Helens, London, 26th January, 1878.

We have to-day received the following communication from the Pacific Mail Steamship Company:—

“ Australian Schedule.

“ Referring to a cablegram respecting schedules of Australian line, we beg that you will kindly suggest to the Agents-General of the Governments of New South Wales and New Zealand that whenever a change is in any way desired it would be advisable, and particularly desirable to us, to have such advised to us at least two weeks in advance. Without such we are made liable for the keeping of all passengers waiting over in San Francisco.”

We have, &c.,

CHAS. CLARK AND CO.

The Agent-General for New Zealand.

Enclosure 11 in No. 69.

Mr. KENNAWAY to MESSRS. CHARLES CLARK and Co.

GENTLEMEN,—

7, Westminster Chambers, London, S.W., 30th January, 1878.

I am directed by the Agent-General to acknowledge the receipt of your letter of the 26th instant, transmitting a copy of a communication from the Pacific Mail Steamship Company, and, in reply, to inform you that the Agent-General will always give the longest notice that he is able to in the case of any change.

I have, &c.,

WALTER KENNAWAY.

Messrs. Charles Clark and Co., Great Saint Helens,
London.

No. 70.

The AGENT-GENERAL to the HON. the POSTMASTER-GENERAL.

SIR,—

7, Westminster Chambers, London, S.W., 16th February, 1878.

Referring to paragraph 6 of my letter of 31st January, in which I informed you that Mr. Macgregor, M.P., one of the sureties of the new postal contract, had suspended payment, I have the honor to enclose for your information copies of two letters which I have received from Messrs. Mackrell on the subject.

I have, &c.,

JULIUS VOGEL,

Agent-General.

The Hon. the Postmaster-General, Wellington.

Enclosure 1 in No. 70.

Messrs. J. MACKRELL and Co. to the AGENT-GENERAL for NEW ZEALAND.

21, Cannon Street, London, 21st February, 1878.

DEAR SIR,—

New Postal Contract.

We beg to inform you that we have ascertained that the estate of Mr. Donald Robert Macgregor has been put in sequestration in Scotland, and that Mr. Thomas Stephen Lindsay, of 55, Castle Street, Edinburgh, and 31, Poultry, in this city, has been appointed the trustee in such sequestration.

In pursuance of the instructions we have received, we have prepared and served on Mr. Lindsay personally a notice of the liability Mr. Macgregor is under to the Governments in respect of the present postal contract.

The Agent-General for New Zealand.

We have, &c.,

JOHN MACKRELL AND Co.

Enclosure 2 in No. 70.

Messrs. J. MACKRELL and Co. to the AGENT-GENERAL for NEW ZEALAND.

21, Cannon Street, London, E.C., 22nd February, 1878.

DEAR SIR JULIUS,—

Postal Contract.

On the other side we send you copy of a letter which we have received from Mr. Lindsay, the trustee under Mr. Macgregor's sequestration.

His suggestion that a new surety, or cautioner, as he terms it, should be provided in the place of Mr. Macgregor, so as to relieve the estate of the latter from the liability which exists under the present bond, can only be carried out with the consent of the Pacific Mail Steamship Company and of the other sureties to the bond. The new surety, moreover, if one were proposed, must be a person as to whose responsibility the Governments would have to be satisfied.

In acknowledging the receipt of Mr. Lindsay's letter, we have thought it right to inform him that we take exception to his statement that nothing has yet occurred which would entitle the Colonial Governments to claim on Macgregor and Co.'s estate, for that breaches of the contract may have accrued of which we are at present in ignorance.

The Agent-General for New Zealand.

We have, &c.,

JOHN MACKRELL AND Co.

Sub-Enclosure to Enclosure 2 in No. 70.

Mr. LINDSAY to Messrs. MACKRELL and Co.

31, Poultry, London, E.C., 21st February, 1878.

DEAR SIR,—

D. R. Macgregor and Co.'s Sequestration.

With reference to the notice which you served here yesterday on behalf of the Postmaster-General of the Colony of New South Wales, and the Postmaster-General of the Colony of New Zealand, I understand that the claim of £25,000 is contingent upon any breach under a certain contract for carrying the mails between San Francisco and the colonies.

The ships belong to John Elder and Co., of Glasgow, and are, I believe, under charter to the Pacific Mail Company of New York.

Nothing has yet occurred which would entitle the Colonial Governments to claim on Macgregor and Co.'s estate, and, for aught I can now see, nothing of the kind is likely to occur; but it might be a satisfactory solution of the difficulty, and relieve the estate of any contingent claim, if Elder and Co. were to satisfy the Government Agents by providing a new cautioner in room of Macgregor, who can now be of no further service to them. I shall be glad to hear from you as to this.

Messrs. Mackrell and Co., 21, Cannon Street, London.

I have, &c.,

THOMAS S. LINDSAY.

No. 71.

Mr. GRAY to the AGENT-GENERAL.

General Post Office, Wellington, 27th April, 1878.

SIR,—

I have the honor to acknowledge the receipt of your communication of the 26th February, enclosing copies of two letters which you had received from Messrs. Mackrell and Co., relative to the suspension of payment by Mr. Macgregor, M.P., one of the sureties of the Contractors for the San Francisco Mail Service.

The Agent-General for New Zealand, London.

I have, &c.,

W. GRAY,

(for the Postmaster-General.)

No. 72.

The Hon. Mr. FISHER to the AGENT-GENERAL.

General Post Office, Wellington, 23rd May, 1878.

SIR,—

I have the honor to acknowledge the receipt of your letters of the 31st January and 26th February respectively, with the several enclosures thereto, relative to the legal and other arrangements

in connection with the time-table for the San Francisco Mail Service during the current year; and also in connection with the suspension of payment by Mr. Macgregor, one of the sureties of the Contractors for the San Francisco Mail Service.

The steps taken by you in respect to the various matters brought under notice in your letters appear to meet all requirements, and the Government is content to leave any further proceedings or negotiations in your hands and those of your solicitors, Messrs. Mackrell and Co.

I have, &c.

J. T. FISHER,

Postmaster-General.

The Agent-General for New Zealand, London.

No. 73.

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

SIR,—

General Post Office, Wellington, 5th April, 1878.

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 route on account of non-contracting colonies during the year 1877, may be remitted in time to be included in the accounts of this Department for the financial year ending the 30th June next.

I have, &c.,

W. GRAY,

Secretary.

The Secretary, General Post Office, Sydney.

No. 74.

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

SIR,—

Sydney, 21st May, 1878.

With reference to your letter dated the 5th ultimo, I have the honor to inform you that a statement of account (similar statement enclosed to you herewith), showing the amount of £2,526 14s. 1d. to be due by this colony to New Zealand on account of correspondence received and despatched by the non-contracting colonies *via* San Francisco during the year 1877, has been forwarded to the Treasury, with a request that the amount in question may be remitted, in accordance with the desire expressed in your letter, in time to be included in your departmental accounts for the financial year ending the 30th proximo.

I have, &c.,

S. H. LAMBTON,

Secretary.

The Secretary, General Post Office, Wellington.

Enclosure 1 in No. 74.

The GOVERNMENT of NEW ZEALAND in Account with the GOVERNMENT of NEW SOUTH WALES.

Cr.

By one-half collections on correspondence conveyed by San Francisco Mail steamships during the year 1877 on account of the non-contracting colonies, as per statement herewith

... .. £2,526 14 1

R. A. NIGHTINGALE,

Accountant.

The General Post Office, Sydney, 16th May, 1878.

Enclosure 2 in No. 74.

STATEMENT of Amounts due and received by New South Wales from Non-contracting Colonies on account of Correspondence received and despatched by the San Francisco Mail steamships during the year 1877.

	£	s.	d.
Victoria ..	3,116	19	3
Queensland	1,149	9	4
South Australia	527	11	4
West Australia	47	19	7
Tasmania	211	8	8
	<u>£5,053</u>	<u>8</u>	<u>2</u>

New South Wales ...	2,526	14	1
New Zealand	2,526	14	1

R. A. NIGHTINGALE,

Accountant.

General Post Office, Sydney, 16th May, 1878.

No. 75.

Mr. EAGAR to the UNDER TREASURER of NEW ZEALAND, Wellington.

SIR,—

The Treasury, New South Wales, Sydney, 30th May, 1878.

I have the honor, by desire of the Colonial Treasurer, and at the instance of the Post Office of this colony, to hand you, enclosed herewith, a bank draft for the sum of £2,526 14s. 1d., in favour of the Hon. the Treasurer of New Zealand, in payment of amount due from New South Wales to New Zealand on account of correspondence received and despatched by the non-contracting colonies during the year 1877 *via* San Francisco.

Requesting the favour of acknowledgment,

The Under Treasurer of New Zealand, Wellington.

I have, &c.,
G. EAGAR.

No. 76.

Mr. GRAY to the UNDER TREASURER, Sydney.

SIR,—

General Post Office, Wellington, 19th June, 1878.

I have the honor, by direction of the Postmaster-General, to acknowledge the receipt of your communication of the 30th ultimo, addressed to the Treasury Department of this colony, enclosing a bank draft for the sum of £2,526 14s. 1d., in favour of the Hon. the Colonial Treasurer, in payment of the amount due to this colony on account of correspondence received and despatched *via* San Francisco by the non-contracting colonies during the year 1877.

The Under Treasurer, Sydney, New South Wales.

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

No. 77.

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

SIR,—

General Post Office, Wellington, 19th June, 1878.

I have the honor to acknowledge the receipt of your communication of 21st May, in reply to mine of the 5th ultimo, intimating that a statement of account similar to the one enclosed in your letter had been forwarded to the Treasury Department of your colony, with a request that a remittance in accordance therewith might be made to this Government, in payment of the amounts due to this colony on account of correspondence received and despatched *via* San Francisco by the non-contracting colonies during the year 1877.

A draft for the sum of £2,526 14s. 1d. was duly received at the Treasury by a recent mail.

The Secretary, General Post Office, Sydney.

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

No. 78.

The Hon. the COLONIAL SECRETARY, Sydney, to the Hon. the COLONIAL SECRETARY, Wellington.

(Telegram.)

Sydney, 2nd May, 1878.

ASSEMBLY has approved modified contract for Pacific Mail Service.

The Hon. the Colonial Secretary, Wellington.

COLONIAL SECRETARY, Sydney.

No. 79.

The Hon. Mr. BALLANCE to the AGENT-GENERAL.

SIR,—

General Post Office, Wellington, 4th May, 1878.

I have the honor to enclose herewith, for your information, copy of a telegram, dated the 2nd instant, from the Hon. the Colonial Secretary, Sydney, intimating that the New South Wales Parliament had approved the modified contract for the San Francisco Mail Service.

On receipt of a further communication from Sydney on the subject, you will again be communicated with.

The Agent-General for New Zealand, London.

I have, &c.,
J. BALLANCE.

