

Government is endeavouring to detach it from the United States; and leave Americans to consider whether it is worth an effort to defeat it. That it can be done I have no doubt. American commerce may be largely extended with Australia at comparatively trifling cost to this country. In the existing mail service between Europe and Australia, *via* San Francisco, there is the nucleus of the whole business. From this service as a base everything may be developed; and, as a former New Zealand colonist, who took an active part in establishing this postal route, I am naturally anxious that it should become the permanent commercial link, uniting the great branch of the Anglo-Saxon race upon the continent of America and the rising commonwealths of Australasia. New Zealand contains an area about equal to the British Isles, and Australia is as large as the United States minus its territories.

16. From the foregoing considerations, I respectfully submit—

(1) That the transit charge upon British enclosed mails to and from the Australian Colonies should be remitted altogether, or reduced to the amount actually paid the railroad companies for the same, as is done with Canada.

(2) That the colonies of New South Wales and New Zealand, by conveying the United States mail free, give a full and fair equivalent for the cost the United States Post Office is put to in conveying the colonial mails across the continent.

(3) That, as a question of public policy, looking to the extension of American trade with Australia and New Zealand, the transit charge on the colonial mails should be cancelled, irrespective of any service rendered the United States Post Office by those commonwealths.

(4) That the heavy subsidy paid to United States citizens by New South Wales and New Zealand for several years past for conveying their mails is proof of their discriminating friendship for the United States, and is equivalent to an annual bonus to American shipowners and manufacturers, and deserves the marked recognition of the Congress and Government.

(5) That, unless this concession, or an equivalent, be made, the Australian mail service *via* San Francisco and New York will eventually be abandoned, and with it those postal facilities and trading advantages which are now so valuable an auxiliary to American trade. American correspondence with Australasia would in that event be transmitted *via* Europe, and Australian travel would never visit this country. By fostering this postal service, which may be done at comparatively little or no cost to the United States, the wealth and trade of Australia and New Zealand may be largely diverted to this country, thereby neutralizing the far-sighted policy of the British Government in seeking to detach its Australasian dependencies commercially from the United States.

San Francisco, 19th July, 1879.

ROBERT J. CREIGHTON,
Resident Agent, New Zealand Government.

No. 19.

Mr. GRAY to Mr. CREIGHTON.

SIR,—

General Post Office, Wellington, 13th September, 1879.

I am directed to acknowledge receipt of your letter of the 4th ultimo, enclosing copy of a memorandum, on the subject of the transit rates on the English and Australian mails, addressed by you to the Hon. Mr. Money, Chairman of the Congressional Committee on Postal Affairs.

Owing to the impending general elections following on the recent dissolution of Parliament, Ministers have for some time past been absent from Wellington, and the Postmaster-General has therefore been unable to bestow that attention on your letter and memorandum which the importance of the matter at issue demands. He has, however, perused both documents, and is highly pleased with the forcible and energetic manner in which you have dealt with the subject under discussion, and entirely agrees with the views expressed by you.

The memorandum has been put in type, and twenty-five copies are forwarded you by the present mail for distribution in such official and public channels as you may see fit. I also forward a copy of the New Zealand Statistics for the years 1876 and 1877, together with such of the statistics for 1878, including the census returns, as are procurable up to date. I also send you a copy of an Exhibition Handbook of New Zealand, prepared by Dr. Hector for distribution at the Sydney Exhibition, which opens this month. The information afforded is very condensed, and, being up to the latest date, it may be of service to you in any further representations which you may desire to make to Congress.

With reference to the other suggestions contained in your letter—namely, the preparation of a draft treaty in prospect of the decision at which Congress may arrive in the matter of the transit rates, and your being empowered to act for this Government in the execution of such a treaty—I am to state that no steps can be taken by the present mail, the Postmaster-General having only returned yesterday from the South.

Your letter will, however, receive careful attention, and, should further action at this stage of the matter be considered desirable, you will again be communicated with.

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

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

No. 20.

Mr. CREIGHTON to Mr. GRAY.

SIR,—

San Francisco, 22nd December, 1879.

I have the honor to enclose copy of letter to the Hon. Mr. Money, Chairman of the House Postal Committee in Congress, covering printed memoranda. These include the memorandum of July,