3 F.—2A.

department in transporting the closed mails between New Zealand and San Francisco was re-affirmed in the Convention of Paris, and the British Government has already paid into the United States Treasury the actual cost of doing the work, which to this time amounts to something over a quarter of a million While this service does not appear as a credit to the item of the railroad transportation, it is dollars. such in fact.

10. In this connection I have to request that full powers be sent to me to conclude an agreement with the United States Government for the transit of these mails, and that you allow me discretionary powers with certain limitations which you will be good enough to prescribe. If necessary, I have to ask you to telegraph by cable plenary powers, trusting to my discretion. I ask this, first, because delays are dangerous in the shifting sands of American politics; and, second, that having initiated and carried through the whole negotiation at great labour, trouble, loss of time and money, and having expended not

a little thought upon it, I naturally desire to conclude it.

11. Referring to the proposal to have the mail transported across the continent by private agencies, I have simply to remark that it would be undertaken by Wells, Fargo & Co., who stand ahead of the world as a forwarding company, and whose letter delivery service is superior on the entire Pacific Slope to that of the United States Post Office. A special commission of the heads of the Post Office Department recently recommended its abolishment, because the Post Office was able now to supply its place, which in point of fact is untrue. This proposal has been opposed throughout the Pacific Slope, which includes all territory west of the Rocky Mountains, and the following abstract of recent action in Congress will explain what has taken place regarding it here and elsewhere. A Washington telegram, May 4, says :---

"WELLS, FARGO AND CO.'S LETTER SERVICE.

"Representative Page and John J. Valentine appeared before the Postmaster-General and a Com mission of Department officials to-day, and argued against the proposed discontinuance of Wells, Fargo & Co.'s letter-carrying service. Page presented memorials signed by 50,000 citizens of the Pacific States, and resolutions of the California Legislature, San Francisco Produce and Stock Exchanges, and New York and San Francisco Chambers of Commerce, all protesting against the threatened suppression of the Company's letter-carrying facilities; and Page then proceeded to read a carefully prepared and strongly framed argument, which appeared to be absolutely unanswerable. One of his points was, that there is really no law in existence authorising, or in any way justifying, such an interference with this business as the Department Commission have advised. This position will, of course, be strenuously assailed by them, but, aside from the question of legal authority, the arguments offered by Page, as to the wisdom, justice or expediency of depriving the public of this express company's facilities were complete in themselves, and it is confidently hoped will prove sufficient to determine Judge Koy's judgment.

Every newspaper on the Slope, every banker, merchant, and mining operator on the coast, desires the continuance of their letter service, and so perfect is their express system, that men send coin, bullion, &c., by it in preference to sending their property as "third class matter" by the United States Post. I always bring fish ova and all perishable goods by their agency. If any question as to the perfect reliability of this agency arose, Mr. Warburton, your mail agent, I think, can answer as to its general reputation. However, I think the bare proposition to undertake the service independent of the Post Office, contained in my letter to Mr. Money, has induced prompt action by Congress to give the Postal Department discretionary powers. But should the Postmaster-General not make the concession expected of him, I have further to request that you transmit to me discretionary powers in this matter, separate and distinct from those relating to the United States Post Office. The practical necessity for this will doubtless suggest itself to you. I think you may rely upon my discretion.

12. Should it be necessary, in my judgment, to go to Washington, I shall do so, although my private affairs render it desirable for the present that I should remain in this city.

13. In the annexed correspondence you will have a fuller explanation of points to which I have I have, &c., Robt. J. Creichton, only referred in this letter.

Resident Agent New Zealand Government.

P.S.—Upon my return home late, I found the accompanying telegram waiting me from the Honace Davis, which is entirely satisfactory:—

R. J. C., May 9, 1880. Horace Davis, which is entirely satisfactory:

"From Washington, D.C., to R. J. Creighton.

"San Francisco, May 8, 1880, 7 p.m., "24th Street, 3 Doors East of Howard.

"Yesterday Bill passed House. Senator Booth thinks will be no trouble in Senate. Wm. Gray, Esq., Secretary, Post Office, New Zealand.

"HORACE DAVIS."

Enclosure in No. 1.

Mr. R. J. CREIGHTON to Sir Julius Vogel.

San Francisco, California, April 19, 1880. Referring to my previous letter, relative to the cost of transmitting the enclosed British and Australasian mail across the American continent, I have the honor to state that I have had several conferences with gentlemen engaged in the transportation business, and am in a position to undertake that the mails will be forwarded in precisely the same time, upon the same trains, with as great security, and as little risk from accident as if they were in charge of the United States Railroad Postal Agent, for half the sum now charged under the agreement between Postmaster-General Tyner and Sir Edward Thornton, Her Britannic Majesty's Minister at Washington.