

5. You will readily understand why the contracting colonies made no formal demand through the British Government for a reconsideration of this question. Their relations to the Mother Country are of such a nature that any move of that kind would bring them into direct conflict, and being mere dependencies, they cannot act independently. Moreover, their policy in this particular is in direct conflict with Imperial policy, and it is therefore essential to success that it should be treated by the American Government as a matter of domestic policy, without reference to Great Britain. The contracting colonies have subsidized an American line of steamers, and carry the American mail, opening new markets for American manufactures, and it is in the interest of American commerce that the friendly services should continue. If, by an oversight, an agreement has been come to between the Postal Departments of the United States and Great Britain, which will, if left to its operation, break down the ocean service, it is clearly in the line of sound policy to take such action in the premises as shall guard against such an occurrence. It has been my privilege to present the question in this light, and I gratefully recognize the intelligent appreciation of the position by yourself and other leading members of Congress, as well as by the Hon. Postmaster-General. This much it is necessary to say in explanation of the fact noted by the Hon. Mr. Key, that my printed memoranda were the first intimation the United States Post Office Department had that the contracting colonies deemed the freight charges in question excessive, or that their continuance threatened the existence of the San Francisco and Australian postal service. * * * * *

7. You will perceive, therefore, that a concession at the present juncture by the American Government would be doubly valuable. It would exhibit to the Colonial Governments and peoples that it desired to deal liberally by all Anglo-Saxon communities, having trading and postal relations with it, and would thereby occupy a position in marked contrast with that of the Mother Country, whose policy has been characterised by centralising selfishness throughout. The Secretary of the Post Office further expresses a hope that the railroads would make the concessions asked, thereby strengthening the hands of the Contracting Colonies in their struggle to sustain the mail route to Europe across the American Continent. For the reasons already presented, however, the concessions, to be politically and commercially valuable, should emanate from the United States Government.

8. In his official correspondence, 27th February, 1880, the Secretary of the New Zealand Post Office, writing under instructions of the Postmaster-General, says, in reference to the question raised by me relative to the transit charges in this country:—

[Here quote paragraphs 4, 5, and 6, up to the word "succeed," second line on last page of letter, of 27th February, 1880, F 80-153, and thereby complete the record].

9. These extracts from the official and private letters of the heads of the New Zealand Government present the case fully as seen in the colony. They further illustrate the difficulty of dealing with the question direct, and confirm the view I have endeavoured to present, namely, that this is a case in which the United States Government should act without reference to the British Post Office Department, or the authority of the International Postal Convention, at which the colonies were not represented. It solely concerns this country whether it will include these mails in its regular postal transit system, and if it decides that there are good and sufficient reasons for doing so, to give notice to the British Government that no further demands will be made for payment under the agreement entered into between the respective postal departments of the two countries by the Hon. Mr. Tyner and Sir Edward Thornton.

10. I have to apologise for writing to you at such length, but the importance of the subject to the contracting colonies is my excuse. I desire, moreover, to strengthen and perpetuate the commercial intercourse presently subsisting between this country and Australasia, and which, if allowed to develop by natural growth, will attain, in the not distant future, vast proportions. The Australian Colonies and New Zealand are the best customers England possesses in the world, population considered, their volume of trade being surprisingly large for such small communities.

11. Would it be trespassing too much on your time to request that you would inform me, at the earliest opportunity, what the chances are for passing your amendment in the Postal Appropriation Bill, and the nature and extent of the concessions the Hon. Postmaster-General is disposed to make. As I cannot communicate direct with the Postmaster-General, owing to the peculiar character of the negotiations in this matter, without a breach of official usage, I have to depend upon your kindness to present such arguments on my behalf as may appear to you to be cogent.

I have, &c.,
ROBT. J. CREIGHTON,
Resident Agent, New Zealand Government.

Hon. Horace Davis, Member United States Congress,
Washington, D.C.

No. 2.

Mr. R. J. CREIGHTON to Mr. GRAY.

SIR,—

San Francisco, 10th May, 1880.

I herewith transmit letter just received from the Agent-General in England, in reply to my letter of inquiry regarding the payments by the London Post Office to the Washington Post Office Department on account of our closed mails.

I regret that I have not received the information asked for, as it would have assisted me in my negotiations in this country, because the amount in question, as you will gather from my correspondence, is a material factor in determining what should in future be paid under any new arrangement. I hope, however, that I will be able to determine this point without further reference to London.

I have, &c.,
ROBT. J. CREIGHTON,
Resident Agent New Zealand Government.

Wm. Gray, Esq., Secretary,
New Zealand Post Office, Wellington.