

tended, although the schedule of payments is calculated to strengthen it, and I fear that in some quarters it may be taken as an evidence of an unfriendly disposition towards the United States. This would be a misfortune, because it is evident from what took place when the resolutions were under consideration that the Californian service must depend upon American payments for its maintenance hereafter; while there is every prospect of increasing trade, which must be more advantageous to New Zealand than to this country.

Owing to the late general election I deemed it prudent not to communicate with the Postmaster-General in reference to the railroad transportation charges; but I shall take an early opportunity of doing so when the political disturbance is at an end. The defeat of the Republican party was complete, and next Congress will show a Democratic majority of considerably over a hundred in the House. The cause of this defeat unquestionably was dissatisfaction with the McKinley tariff, and, should the Democratic party maintain its position in the Presidential election two years hence, there will be a return to a revenue tariff, under which New Zealand products, including wool, would have a large and important market.

The "Zealandia" did not arrive until the 27th October, the cause of the detention being the inferior coal which was used owing to the strike in Australia and New Zealand. I endeavoured to expedite the mail so as to make connection at New York with the Atlantic steamer sailing thence 1st November; but was unable to accomplish it, owing to the refusal of the steamship agents to detain their vessel a few hours. The result was an unavoidable detention at New York of three days. I am under obligations to the San Francisco Postmaster and department officers in the East for their active co-operation. The accompanying correspondence will explain what was done.

W. Gray, Esq.,  
Secretary, Posts and Telegraphs, Wellington.

I have, &c.,  
ROBT. J. CREIGHTON.

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#### Enclosure in No. 44.

SIR,—

327, Market Street, San Francisco, 30th October, 1890.

I have to thank you for your favour of the 29th instant, in reference to the Australian mail, and for the interest you took in the attempt to expedite it. I regret that the Atlantic steamer would not wait the arrival of the overland train with the mail on board, rendering a detention of four or five days at New York unavoidable.

Yours, &c.,

ROBT. J. CREIGHTON,  
Agent, New Zealand Government.

General S. W. Backus, Postmaster, San Francisco.

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#### No. 45.

Mr. GRAY to Mr. CREIGHTON, San Francisco.

SIR,—

General Post Office, Wellington, 19th December, 1890.

I have the honour to acknowledge the receipt of your letter of the 14th ultimo, with reference to the renewal of the San Francisco mail-service, and notifying the late arrival of the "Zealandia," and the consequent detention of the Homeward mails at New York. Your letter was submitted to the Postmaster-General. It is to be regretted that the steamship agents at New York could not be induced to detain the Atlantic steamer for a few hours for the "Zealandia's" British mails, thereby saving a further delay in their delivery in London.

I have, &c.,

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

W. GRAY, Secretary.

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#### No. 46.

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

SIR,—

San Francisco, 10th December, 1890.

I have the honour to enclose herewith correspondence with the Superintendent of Foreign Mails in reference to the railroad charges, and the action of the New Zealand Legislature in making the payment of a moiety of said charges one way by the contractors a condition of the continuance of the Californian mail-route. You will gather from this correspondence that the Postmaster-General attaches considerable importance to the maintenance of the service.

I also enclose extract from the President's annual message to Congress, mentioned in Mr. Brooks's letter, referring to the Australian mail-service, and urging the speedy enactment of the Shipping Bills. Upon no former occasion has this question been so forcibly presented to Congress by the National Executive. There is every indication that the Subsidy and Shipping Bills will pass early in this session, although I have seen it stated in a despatch from Washington that it is intended to withdraw these, and pass an omnibus Bill covering the points in both measures, with some additions. In any event, the prospect never was more favourable than at the present time.

I also enclose copy of correspondence with Messrs. J. D. Spreckels and Brothers, general agents of the Oceanic Steamship Company, which explains itself. I considered the matter of sufficient importance to report to New Zealand, which I did by cable, 28th November, as follows: "Postmaster-General, New Zealand.—Spreckels protests 'Monowai' taking December mail."

I hope this matter will be settled without friction between the Union and Oceanic Companies. At the present juncture it would be unfortunate, to say the least, if there should be any disturbance of existing conditions which would tend to throw a doubt on the loyalty of New Zealand to the American connection. The importance of this consideration will present itself, I think, all the more