

Enclosure 1 in No. 92.

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

SIR,—

General Post Office, London, 10th March, 1892.

With reference to my letter of the 19th January last, in which it was stated that, pending the receipt of further information, this department would, as suggested by you, send correspondence for New Zealand *via* Suez only when posted in the first and second weeks following a despatch *via* San Francisco, I beg leave to acquaint you that, from the inquiries which have been made, it would appear to be advantageous to send *via* Suez correspondence addressed to places in the south of New Zealand (as far north as Wellington) posted even in the third week following a despatch *via* San Francisco.

Under these circumstances, it is proposed, unless you have any strong objection to urge, to give instructions that the correspondence for these places be forwarded accordingly.

Correspondence for Auckland has been sent *via* Suez only when posted in the first week following a despatch *via* San Francisco, apparently because it was supposed that the mails were carried on by sea to Sydney, and that correspondence despatched in the second week *via* Suez would thus not arrive at Sydney in time to go forward at once by the intercolonial steamer to Auckland; but, as a matter of fact, all the Australasian mails are landed at Adelaide, and those going eastward are sent on by railway. Thus, mails for Auckland ought to be sent hence *via* Suez in the second as well as in the first week following a despatch *via* San Francisco, as they would arrive at Sydney in good time to go forward by the intercolonial steamer; but, before giving any instructions on this point, I shall be glad to learn whether you concur in this view as to the circumstances of the case.

I am, &c.,

H. BUXTON FORMAN,

For the Secretary.

W. B. Perceval, Esq.

Enclosure 2 in No. 92.

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

SIR,—

13, Victoria Street, London, S.W., 18th March, 1892.

I have the honour to acknowledge the receipt of your letter of the 10th instant, and, before proceeding to reply thereto, I take the opportunity of informing you, in reference to the last paragraph of my letter of the 11th January, that I find, now that I have received a copy of the cablegram to which I then referred, that the sentence which was understood to mean that my Government were communicating to you by letters forwarded by the "Arawa" and "Coptic" was intended to intimate that mails had been sent by those steamers instead of *via* Australia.

I have now received letters from my Government, giving expression to the views they entertain respecting the ocean mail-services, and containing full information as to the routes by which, under the present circumstances, it would be most advantageous to send letters, &c., from this country to New Zealand. I therefore think that my best course will be to furnish you with the extracts therefrom which deal with the subjects concerning which Mr. Kennaway and myself have had the honour of communicating with you within the last few months.

You will see, on the perusal of these extracts, that they clearly show that my Government would not be disposed to concur in the proposal which you have made in your letter.

I therefore beg permission to request, on behalf of my Government, that only the letters, &c., posted on this side during the first and second weeks immediately succeeding the departure of the mails by San Francisco be sent *via* Italy, unless specially addressed to go by that route, and that all others be forwarded by the mails *via* San Francisco.

I have, &c.,

Secretary, General Post Office.

W. B. PERCEVAL.

No. 93.

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

SIR,—

San Francisco, 31st March, 1892.

I have the honour to acknowledge receipt of your letter of the 8th February, 1892, covering copy of letter from the General Post Office, London, in reference to the transfer of mails from ship to railroad at New York. I think the new arrangement will be found to work well. I am also in receipt of your letter of the 17th February. I note what you say regarding the American transit charges—namely, that "Mr. Spreckels is under a misapprehension in supposing that any reduction in the transit charges will result in a corresponding increase in the payments to the contractors."

I certainly understood that this would be the effect, and so informed Mr. Spreckels, inasmuch as the payments to the contractors for ocean transportation had been reduced from 12s. to 11s. per pound on letters, to offset the overland Homeward charges which became payable by New Zealand upon the London Office declining to be longer responsible for these; while no compensation was given to the contractors for the transportation of printed matter, the postage on which London retained outward to reimburse it for delivering the mail at San Francisco.

I informed Mr. Spreckels, in terms of your letter, of this misunderstanding, and he remarked that there was no inducement now for the contractors to exert themselves in the matter. It would be unfortunate if he should become indifferent as to the result, as I am aware that he recently renewed his argument, through the California Congressional Delegation, in favour of the remission of the transit charges, under the impression that it would jointly benefit the Oceanic and Union Companies, which have had their compensation reduced by an estimated equivalent of the amount.