

not to press the matter further, to place the whole correspondence before the Colonial Office, and request them to communicate with the Treasury and Post Office for the purpose of inducing those departments to again reconsider the question at issue with the view of their arriving at a juster decision than that which has now been conveyed to me.

I am disinclined to attribute any motive that is not apparent as regards the action of the London Post Office authorities, but I cannot help thinking that, ignoring the great superiority and importance of the San Francisco mail-service, they would not regret to bring about its abandonment, and thus force all correspondence to be sent through what appears to be their favourite route—viz., that *via* Italy and Australia.

I attach copy of cablegram which I sent to you this day.

The Hon. the Premier, Wellington.

I have, &c.,
W. B. PERCEVAL.

Enclosure 1 in No. 32.—(See No. 11.)

Enclosure 2 in No. 32.

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

SIR,— General Post Office, London, E.C., 28th September, 1892.

With reference to your letter of the 3rd, and the reply from this office of the 6th instant, I am directed by the Postmaster-General to inform you that he has submitted to the Lords Commissioners of the Treasury the further appeal of your Government against the decision of that Board not to make any special contribution after November next towards the support of the colonial packet service between New Zealand and San Francisco, and has now received their reply.

Their Lordships state that they abide by the decision of their predecessors, that the time has come when the New Zealand Government may fairly be expected to conform to the rules of the Postal Union of which the colony has become a member, and that they cannot revert to an arrangement which has been definitely abandoned as being unfair to this country.

W. B. Perceval, Esq., Agent-General for New Zealand.

I am, &c.,
H. JOYCE.

Enclosure 3 in No. 32.

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

SIR,— 13, Victoria Street, London, S.W., 29th September, 1892.

I beg to acknowledge the receipt of your letter of the 28th instant, conveying the reply of the Imperial Treasury to the appeal of my Government against the decision communicated to me by your letter of the 15th ultimo.

I must express regret that I have failed in my endeavour to show how inequitable such a decision is to the colony which I represent.

I feel so strongly on the matter that I shall be much obliged if you will arrange so that I can have an interview with the Postmaster-General and personally represent to him the views of my Government with respect to it.

The Secretary, General Post Office, London, E.C.

I am, &c.,
W. B. PERCEVAL.

No. 33.

The Hon. the PREMIER to the AGENT-GENERAL.

SIR,— Premier's Office, Wellington, 3rd November, 1892.

I have the honour to acknowledge the receipt of your letter of the 9th September last, enclosing copy of further correspondence, extending from the 23rd August to the 6th September, which passed between yourself and the Imperial Post Office, and also copy of our cablegrams between the same dates, on the subject of the renewal of the San Francisco mail-service. I earnestly hope that you may be able to prevail on the Imperial authorities to renew the existing arrangement for another year.

Our appeal to New South Wales (to which I referred in my letter of the 6th ultimo) to increase its payment to the service to £5,000 a year, so as to make up to the contractors the loss they would suffer should the Imperial authorities insist on treating the service on strictly Postal Union lines, has resulted in the Government of that colony agreeing, subject to the approval of its Parliament, to give £4,000 for one year, an offer which has been accepted by the Hon. Mr. Ward; but, in consequence of the larger amount not having been granted, the contractors have refused to bind themselves to carry on the service for the full term of a year. There is little doubt, however, that the service will be continued for another twelve months; and a time-table, of which I enclose two copies, has been issued on this assumption.

From the enclosures to your letter it is observed that the Imperial Post Office maintains that its rate of payment towards the cost of the service is 11s., and not 12s. per pound on the letters, and quotes from its communication of the 17th October, 1891, to Mr. Kennaway, in support of this. But, as showing what the understanding has been at this end, I have to refer to my cablegram of the 30th of the same month to your predecessor—despatched, of course, before