

Union Convention)—10fr. 12c. and 67c. respectively, per kilogramme, would be payable for Pacific transit; indeed, these are the rates set out at page 13 of the printed paper, "A Brief Account of the Formation of the Universal Postal Union," issued by your department. But in your above-mentioned letter of the 31st August last the rates to be paid for Pacific transit are fixed at 10fr. per kilogramme of letters and post-cards, and 50c. per kilogramme of other articles, which is also confirmed by your letter of the 3rd September, addressed to the Postmaster-General in New Zealand. It would therefore appear that the Atlantic transit has been treated as an exceptional service under sub-paragraph 2, paragraph 4, of the same article of the Convention, and that 5fr. for letters and post-cards and 50c. for other articles, per kilogramme are the rates which it is proposed to maintain, with the result that the rates for the Pacific conveyance are reduced by 15c. and 17c. respectively. The loss incurred under such a computation is estimated at £2,539, in the place of £1,975, as estimated at first on the basis of 10fr. 12c. and 67c. respectively per kilogramme. I understand that in a letter to your department the Postmaster-General in New Zealand has taken exception to the payment of the lesser rates for the Pacific transit, and I shall, therefore, be much obliged if you will favour me with your views on the point thus raised.

I think it right to add that my Government, in acknowledging the receipt of my cablegram announcing the continued refusal of your department to continue the apportionment of the preceding twelve months, remark that it is a decision as unexpected as it is disappointing. My Government further say that it is to be regretted that my representations on behalf of the colony have not received that consideration which, in the opinion of my Government, they were in fairness entitled to.

I am, &c.,

W. B. PERCEVAL.

The Secretary to the General Post Office, St. Martin's-le-Grand.

#### No. 42.

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

Post Office and Telegraph Department, General Post Office, Wellington,  
22nd March, 1893.

SIR,—

In forwarding by the present mail the accounts relating to the correspondence exchanged between the United Kingdom and this colony *via* San Francisco, I have the honour to inform you that this department has continued to claim at the rate of 12s. per pound of letters conveyed under the old arrangement, it being assumed, after the statement and explanation of the case by the Agent-General for New Zealand, that this rate would be allowed.

For the two mails under the new *régime* coming within the quarter, the minimum rates of 10fr. per kilogramme of letters and post-cards, and 50c. per kilogramme of other articles, have been claimed in accordance with the decision conveyed in your letter of the 3rd September last. It is, however, hoped that your department will see fit to pay the higher rates of 10fr. 12c. per kilogramme and 67c. per kilogramme respectively, as claimed by the Agent-General on behalf of this colony in his letter to you of the 11th January last, and in my letter of the 3rd November last.

I have, &c.,

W. GRAY,

For the Postmaster-General.

The Secretary, General Post Office, London.

#### No. 43.

The Hon. the PREMIER to the AGENT-GENERAL.

Premier's Office, Wellington, 19th April, 1893.

SIR,—

*San Francisco Mail-service.*

Since I wrote you on the 3rd November last, I have received your letters of the 27th October, the 4th, 10th and 24th November, and the 20th January last.

The decided manner in which your appeals were met by the Imperial authorities gave little hope of your being able to obtain a reversal of policy, and apparently there is now no prospect of this. The correspondence, however, has been perused with much interest, and it is indeed difficult, in the light of what took place, to reconcile the refusal of the Imperial Government to accede to your request, or to understand why inquiries should have been made as to the possibilities of a Vancouver service. You will have learned from my letter of the 3rd November that any loss resulting from the change of policy of the Imperial Government would not fall on the colony; but, having argued on the assumption that it would, the case was made the stronger for the colony. The decision which has been arrived at by the Colonial Office is regarded as illiberal, if not inequitable, especially in the face of the high American transit rates, and the strong desire of the Imperial Post Office to favour the Eastern service, which it is well known is unsuited to our exceptional requirements, while it declines to provide, or assist in providing, a connecting intercolonial service, so as to make the route *via* Italy regular and reliable to New Zealand.

It will no doubt be of interest to you to learn that at the Postal Conference held at Brisbane last month the Postmaster-General succeeded in carrying, unanimously, motions affirming—(1) That negotiations for a Canadian Pacific service should be opened up; and (2) that a communication should be addressed to the Postmaster-General, Washington, pointing out the inadequacy of the subsidy paid by the United States towards the support of the San Francisco service, and the excessively high transit rates between San Francisco and New York, which the railway companies should be urged to materially reduce.