

The Conference proceedings had scarcely terminated before it was announced that Messrs. Huddart, Parker and Co., Australian shipowners, had obtained a promise of a subsidy from Canada of £25,000 a year towards the cost of a monthly steam-service between Australia and Vancouver. The company, it would appear, had been negotiating for some time with the Canadian Government, but this was not known to the Hon. Mr. Ward when introducing his resolutions. Indeed, so far as can be ascertained, New Zealand is not to be included in the service. Messrs. Huddart, Parker and Co. have written the Government of New South Wales asking that the Australian Colonies subscribe £20,000 a year, and that if this be agreed to the firm would inaugurate a four-weekly fourteen-knot service without delay, delivering mails between London and Sydney in about twenty-six days. The New South Wales Government is favourable to the proposal, but the other colonies, with the exception of Queensland, it is stated, will not contribute; and it is assumed that, unless the steamers call at Brisbane, Queensland will hold aloof also. As an inducement to secure a subsidy from Victoria, it is stated that the steamers will make Melbourne the terminal port. The exact position, however, is not known to Government, but it is now reported that the service is to commence from Sydney early next month.

This is the position of what at present promises to be an unlooked-for development of the Vancouver route. It would be premature to speculate as to the effect such a service would have on this colony or the San Francisco service. It must be admitted, however, that there is not room just now for the profitable running of the two services. I hope to be able to advise you more definitely by next mail.

I have, &c.,

A. J. CADMAN,

For the Premier.

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

No. 44.

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

SIR,—

General Post Office, London, 7th April, 1893.

With reference to your letter of the 3rd November last, I beg leave to inform you that, after considering the renewed representations made by the Agent-General for New Zealand, the Lords Commissioners of Her Majesty's Treasury still regard the circumstances of the case as not justifying a departure from their decision not to give special support to the packet service which the colony maintains to and from San Francisco.

Their Lordships have, however, agreed to increase the payment for the Pacific transit of the outward mails from 10fr. per kilogramme of letters and post-cards, and 50c. per kilogramme of other articles, to 10fr. 12c. and 67c. respectively; but they reserve the right to revert to the rate now generally accepted by countries in the Union after the date of the New Postal Union Congress, when it will, of course, be open to the New Zealand Government to make any proposal it may think fit for a change in the practice as regards the apportionment of the rates paid for sea-transit.

Dating, therefore, from the 1st November, 1892, payment may be claimed at these higher rates, the equivalents in English money and weight being—

Letters and post-cards	43·71d. per pound.
Other articles	2·89d. "

The Agent-General has claimed on behalf of the colony that the payment for the Pacific transit of outward mails up to the end of the period regulated by the special understanding should be at the rate of 12s. a pound, and not 11s. a pound, as held by this department. It is necessary, therefore, to explain that the Treasury authority was for payment of a rate equal to what the colony paid the packet contractors, but not exceeding 12s. a pound; and in a letter from Sir Francis Bell, dated the 17th November, 1891, it was stated that the New Zealand House of Representatives had approved the offer of payment for the San Francisco service at the rate of 11s. per pound of letters, while in the New Zealand Post Office report for 1891 (issued last August) it is stated (page xv.) that these terms were accepted by the contractors. On these grounds the rate of 12s. a pound claimed by your office in the accounts with this department was reduced to 11s.; but, if the higher rate was actually paid by the colony, the accounts can of course be adjusted accordingly for the period during which the Treasury has authorized the continuance of payment at special rates—*i.e.*, from the 1st November, 1891, to the 31st October, 1892.

I am, &c.,

H. BUXTON FORMAN,

For the Secretary.

The Postmaster-General, Wellington.

No. 45.

The AGENT-GENERAL to the Hon. the PREMIER.

SIR,—

Westminster Chambers, 13, Victoria Street, London, S.W., 14th April, 1893.

I beg to enclose herewith copy of letter which I have received from the General Post Office, stating that, while not departing from their decision in respect to the apportionment of the expense of the San Francisco mail-service, the Imperial Treasury have agreed to increase the payment for the Pacific transit from 10fr. per kilogramme of letters and post-cards, and 50c. of other articles, to 10fr. 12c. and 67c. respectively.

In a note which I had previously received from the Colonial Office, intimating that the Treasury had decided to make these increased payments, Mr. Under-Secretary Meade estimates that the loss to the colony would be thereby reduced from £2,539 to £1,975, or by about £564.