

I have had no further information regarding the burned mail than that already communicated to you. The railroad people made no report of the accident, and the first information was conveyed in the Press despatch from Chicago. Telegraph operators at wayside stations are railroad servants, and they have their instructions not to give out disagreeable news.

Congress is in session, but it is not certain that any attempt will be made to encourage American shipping, whereby the Australian service would be benefitted, before next March. President Harrison recommended subsidies, but everything will depend upon the policy of the new Administration. Pending legislation, however, may indirectly bring it about. A Bill to check immigration has been introduced, which will probably be carried. If so, the great European steamship companies will lose the passenger-traffic so far as "immigrants" are concerned. A conference of these companies is to be held to consider what should be done, and it has been suggested that they should boycott New York and all other American ports and make Halifax their Atlantic port of call. Should this policy be adopted, Congress would infallibly pass a Subsidy Bill to enable American shipyards to build steamships sufficient for American traffic; but, although I scarcely think such an extreme measure would be resorted to by the foreign steamship owners, its possibility and the discussion which the threat has provoked will doubtless have considerable influence on Congress, which would forget party obligations to uphold the national prestige. Meantime there does not seem to be much prospect for a Canadian Pacific service. It is reported that the three "Empresses" will be placed on the Atlantic trade this year, their places being supplied in the China and Japan trade by ships of the Guion line. These ships are far inferior to the Canadian Pacific's vessels.

President Harrison will also in all probability issue a proclamation before retiring, which will very seriously cripple Canadian commerce, and especially the Canadian Pacific Railroad's business. Under an arrangement with the United States Treasury Department merchandise intended for American points could be shipped in bond, under seal, from any foreign port, over the Canadian Pacific road, its cars being hauled over American roads to their destination. This arrangement has enabled the Canadian Pacific railway to divert the bulk of the China and Japan trade, and also a great deal of the Pacific coast trade, from American railroads, because it was enabled to cut rates, while the American roads were debarred from meeting this policy by the Inter-State Commerce Act. The President now proposes to place Canada on the same footing as any other country by abolishing this bonded privilege. When this has been done, the main source of traffic receipts for the Canadian Pacific railroad will be dried up, and the China trade will be taken away from Vancouver. Besides, it will soon be compelled to pay interest on its bonds, which has heretofore been paid out of the Dominion taxes. Under these conditions, I do not think it is at all probable that the Canadian Pacific would burden itself with a costly non-paying line to Australia.

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I have, &c.,

ROBERT J. CREIGHTON.

W. Gray, Esq., Secretary, General Post Office, Wellington, New Zealand.

No. 51.

The SECRETARY, General Post Office, to the MANAGING DIRECTOR, Union Steam Ship Company.
Post Office and Telegraph Department, General Post Office, Wellington,
2nd February, 1893.

SIR,—

I have the honour to inform you that this office has been advised that from April next the mails from London for the colonies *via* San Francisco will be carried across the Atlantic by either the "Etruria" or the "Campania." As these are very fast vessels, it is anticipated that the mails will reach San Francisco on Thursday in the place of Friday, as at present.

Will you be good enough to inform me whether your company is willing to agree to the day of departure of the mail-steamer from San Francisco being again altered to Thursday.

I have, &c.,

W. GRAY, Secretary.

The Managing Director,
Union Steam Ship Company of New Zealand (Limited), Dunedin.

No. 52.

The MANAGING DIRECTOR, Union Steam Ship Company, to the SECRETARY, General Post Office.
Union Steam Ship Company of New Zealand (Limited), Dunedin,
7th February, 1893.

SIR,—

I have the honour to acknowledge receipt of your favour of 2nd instant asking our consent to the departure of the mail-steamers from San Francisco being altered to Thursday from April next, when it is anticipated the mails from London will reach San Francisco a day earlier than at present.

In reply to the above, I may mention that our friends, Messrs. J. D. Spreckels and Bros. Company, have already anticipated this request, and have issued a *pro forma* time-table in which the departures from San Francisco are fixed for Thursdays, beginning with the "Mariposa" on 27th April. I understand that a copy of this time-table has been forwarded to you through Mr. Creighton.

I have, &c.,

T. W. WHITSON,
For the Managing Director.

W. Gray, Esq., Secretary, General Post Office, Wellington.