No. 76.

Mr. Gray to Mr. Creighton.

Post Office and Telegraph Department, General Post Office, Wellington,

Sir.—

22nd March, 1893.

If you are able to do so, I shall be much obliged if you will inform me what is the exact rate paid to the contractors for the San Francisco mail-service by the United States Post Office, since the commencement of the present year's renewal, for carriage of United States mails to the Australasian Colonies and Honolulu.

I have, &c.,

R. J. Creighton, Esq., Resident Agent for New Zealand, San Francisco, California. W. GRAY, Secretary.

No. 77.

Mr. CREIGHTON to Mr. GRAY.

Sir.—

I have the honour to enclose copy of correspondence with the United States Postal Department in reference to the continuance of the San Francisco mail, supplemental to my letter of 9th December, 1892, the receipt of which, together with an intimation that it had met with the approval of Mr. Ward, has been acknowledged by you. As you will perceive, I have taken advantage of cable advices through the Canadian Pacific to impress upon Mr. Bissell, the new Postmaster-General, the urgency of the case, and to enlist the Administration in support of a sufficient subsidy to maintain an efficient service. The action taken by the Postal Conference, to which I have referred, was opportune, and favourable to the position I have taken throughout my correspondence with the United States Government. I have not received a reply to either letter, and, of course, can form no opinion of the action which Mr. Bissell may recommend. I hope it may be favourable to strengthening the service, for should he advise the payment of a sufficient subsidy the new Congress would appropriate the funds.

Referring to your letter, of 22nd March, I beg to state that the United States Government nominally pays the contractors \$60,000 for thirteen outward trips of the mail-steamers for transporting the American mail to New Zealand, Australia, &c., but makes a deduction of \$1,000 for each trip of the "Monowai," or any other vessel so employed which is not on the American register. A similar deduction was made on the postal earnings of the "Zealandia" while that ship was on the Australian postal route. If, however, only American ships were employed, they would be paid the full amount of sea and domestic postage, computed at \$60,000 per annum. The Post Office Act limits the payment for ocean mail-service by foreign ships to sea-postage. Since the five-cent letter-rate went into operation, however, the postages do not aggregate \$60,000, according to the weights published by the Superintendent of Foreign Mails, but the payment is made under the order of Mr. Wanamaker, issued prior to the change from the twelve-cent to the five-cent rate. In this relation I should be pleased to know whether the United States Post Office makes, or has made, any charge or demand upon the colonies for sea transits, under the Postal Union rules, either before or since the entrance of New Zealand and Australia into the Postal Union, and, if so, at what rates and to what amount. Would you also inform me at the same time the amount which the London and colonial Post Offices have paid the United States on account of overland transit charges, and at what rate. As questions may soon arise upon those points, I should be prepared with an exact official statement.

Messrs. Spreckels have received a cable from the Union Steam Ship Company intimating that the new Canada-Australian line was advertised to begin its sailings from Brisbane on 10th May, four days before the "Alameda" is to sail from Sydney. I suppose this line will receive a subsidy from Queenstal and Canada. It will be of no commercial value to New Zealand, and

none whatever as a postal route, unless you should establish a fork service to Fiji.

I have, &c., Robert J. Creighton.

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

Enclosure 1 in No. 77.

Mr. Creighton to the Superintendent of Foreign Mails, Washington.

San Francisco, 8th April, 1893.

I have the honour to inform you that the New Zealand Postmaster-General [see No. 53] has advised me that he approves of the change of the day of sailing of the Australian mail-steamer from San Francisco to Thursday, in consequence of the accelerated speed on the Atlantic, thereby saving one day in transit between London and the colonies. The first ship on the new time-schedule will be the "Mariposa," which is advertised to sail on Thursday, 27th April. I note, however, that instructions have been received by the San Francisco Post Office from your bureau to advertise the steamer-sailings on the new schedule.

I beg to call your attention to a Press despatch, of which the following is a copy: "New line to Australia: Vancouver, B.C., 7th April.—The announcement that arrangements are completed for a line of steamers between Australia and Vancouver was received here with satisfaction. It is stated that the steamers that will be put on are the 'Warrimoo' and the 'Miowera,' owned by the New Zealand and Australian Steamship Company. The first steamer is to leave Sydney 10th May."