

otherwise than strictly on the basis of the Postal Union Convention, involves a loss to the contractors of about £1,975 a year.

As it is necessary that I should have the earliest intimation of your intentions, with a view to issuing time-tables, &c., I shall be glad if you will telegraph a short reply as soon as possible.

I have, &c.,

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

W. GRAY, Secretary.

No. 17.

The Hon. the PREMIER to the AGENT-GENERAL.

SIR,—

Premier's Office, Wellington, 12th October, 1892.

I have the honour to acknowledge the receipt of your two letters of the 19th August and the 2nd September, on the question of the renewal of the San Francisco mail-service. With the first you enclosed copy of the reply from the Imperial Post Office to your letter of the 4th July, and in the other promise a cablegram announcing the result of the further representations which you had made against the decision not to prolong the existing apportionment at any renewal of the contract.

My letter of the 6th instant gives you the views and notifies the action of the Government after receiving your cablegram conveying the intelligence that the decision had not been reversed or modified.

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

I have, &c.,

J. G. WARD,
For the Premier.

No. 18.

The Hon. the POSTMASTER-GENERAL, Sydney, to the Hon. the POSTMASTER-GENERAL, Wellington.

(Telegram.)

Sydney, 11th October, 1892.

RE Frisco. We are disposed to do something, but cannot see our way to extent proposed. Hear you have been negotiating with company and other colonies. Would like to know what extra remuneration company expect or what proportion of total subsidy the amount you ask from us represents.

No. 19.

The Hon. the POSTMASTER-GENERAL, Wellington, to the Hon. the POSTMASTER-GENERAL, Sydney.

(Telegram.)

Wellington, 15th October, 1892.

FRISCO. Exceedingly disappointed your Government has not yet seen its way to contribute five thousand. In exceptional position of the service I regarded amount as a minimum one. Contractors also lose nearly three thousand because of reduction in rate for letters from non-contracting colonies under which your office probably save about a thousand pounds this year. Contractors apply to have loss caused by London's decision made up, and also urge that they have a claim for consideration in consequence of reduction made non-contracting colonies. It is estimated that contractors will receive about twenty thousand, your five thousand therefore about one-fourth. Have not communicated with other colonies, as only a matter of two or three thousand pounds involved, and, moreover, they have not hitherto directly contributed to service. Confidently hope you will now agree to give five thousand especially as greatest pecuniary gain from service is undoubtedly to your colony.

No. 20.

The Hon. the POSTMASTER-GENERAL, Sydney, to the Hon. the POSTMASTER-GENERAL, Wellington.

(Telegram.)

Sydney, 17th October, 1892.

WHAT I am desirous of knowing is what direct subsidy outside of postages, &c., it is proposed to pay company, and what proportion of this direct subsidy your colony is to bear. If you will kindly state this, will consider matter further. You are mistaken in supposing that we save under present arrangement. It is just the opposite. The twenty-five shillings and fourpence was covered by the postages; the twelve shillings leaves loss of about two shillings a pound.

No. 21.

The Hon. the POSTMASTER-GENERAL, Wellington, to the Hon. the POSTMASTER-GENERAL, Sydney.

(Telegram.)

Wellington, 18th October, 1892.

CONTRACTORS apply for about three thousand, over and above postages, to make up London loss and partly recoup loss from reduction made non-contracting colonies. You are asked to bear full amount, making your total payment five thousand, although you are now liable for about a thousand less than last year. I am aware, of course, you make a loss on the letters, but you must