

34. If, where more than one arbitrator shall have been appointed, and where neither of them shall refuse or neglect to act as aforesaid, such arbitrators shall fail to make their award within three calendar months after the day on which the last of such arbitrators shall have been appointed, or within such extended time (if any) as shall have been appointed for that purpose, by both such arbitrators under their hands, the matters referred to them shall be determined by the umpire to be appointed as aforesaid, and the umpire shall make his award within three calendar months after the time when his duties shall commence, or within such extended time (if any) as shall have been appointed for that purpose by the umpire under his hand.

35. The said arbitrator or arbitrators or their umpire may call for the production of any documents in the possession or power of either party which they or he may think necessary for determining the question in dispute, and may examine the parties or their witnesses on oath, and administer the oaths necessary for that purpose.

36. The cost of every such arbitration and of the award shall be in the discretion of the arbitrator, arbitrators, or umpire, who may direct to and by whom and in what manner the same or any part thereof shall be paid.

37. The arbitration shall take place and be conducted at Wellington and the arbitrator or arbitrators or the umpire, as the case may be, shall deliver his or their award in writing to the Postmaster-General, who shall retain the same, and shall forthwith, on demand, at their own expense, furnish a copy thereof to the Company and shall at all times, on demand, produce the said award, and allow the same to be inspected or examined by the Company or any person appointed by it for that purpose.

38. Any submission to arbitration may be made a rule of the Supreme Court of New Zealand on the application of the Postmaster-General or the Company.

39. And, lastly, it is hereby agreed and declared by and between the parties hereto, and these presents are upon the express condition, that the Postmaster-General of New South Wales, or other the proper authority for the time being on behalf of the Government of New South Wales, shall during the continuance hereof pay to the Postmaster-General of New Zealand, by equal quarterly instalments on the first day of January, the first day of April, the first day of July, and the first day of October in each year, in respect of the conveyance of mails to and from Sydney aforesaid upon the terms and in the manner hereinbefore set forth, an annual subsidy or contribution of four thousand pounds, subject to the annual voting of such sum by the Parliament of New South Wales and that if from any cause whatever the payment of the said subsidy or any instalment thereof shall not be made during the continuance hereof, then the Postmaster-General or the Company shall be at liberty forthwith, or at any time after the due date of any such payment, by notice in writing, to determine the contract hereby made, and thereupon these presents, and every clause, matter and thing herein contained, and every obligation of the Postmaster-General or the Company hereunder, shall cease, without prejudice, however, to the enforcement of any right or remedy conferred upon either of the parties hereto by these presents.

Each subsidy or contribution received by the Postmaster-General under this clause shall be paid over to the Company subject to the terms of clause 13 hereof.

In witness whereof the Postmaster-General hath hereunto set his hand and seal, and the Company hath hereunto caused its common seal to be affixed, the day and year first above written.

SIGNED, SEALED, AND DELIVERED by the said JOSEPH
GEORGE WARD as Postmaster-General of New Zealand, in the presence of

(L.S.) J G WARD.

W GRAY,
Secretary Post and Telegraph Department.

THE COMMON SEAL OF THE UNION STEAM SHIP COMPANY
OF NEW ZEALAND (LIMITED) was hereunto affixed in
the presence of

(L.S.)

J M. RITCHIE, } Directors of the
E. B. CARGILL, } said Company

No. 28.

The RESIDENT AGENT, San Francisco, to the SECRETARY, General Post Office, Wellington.

DEAR SIR,—

San Francisco, 18th August, 1894.

I enclose you this morning an extract from the *Daily Examiner* giving a report of the passage of the "Campania" bringing the outward mail.

You will see by this report that she arrived off Sandy Hook on Friday night at 5.45 p.m., which would land the mails about 8 o'clock on that evening. Had they caught the 9 o'clock express they would have been here on Wednesday but I have a wire from the Postmaster at New York this morning informing me that they did not leave until 8.30 to-day which, of course, will not allow them to reach here till Thursday.

In view of the fact that the "Campania" and "Lucania" are now making remarkably fast voyages, and the arrival of the mails in this city on Wednesday is quite probable, I would like to have your instructions regarding the question of the despatch of the Australian steamer from this port immediately on arrival of mails. Of course, I do not mean any change of day but I wish to ascertain your views regarding the question of the authority to ask for a Wednesday despatch when twenty-four hours' delay at this port can be avoided.

You would confer a favour by replying to this communication by return mail.

Yours, &c.,

W Gray, Esq, Wellington.

H. STEPHENSON SMITH.