

- Christchurch—Akaroa—Wainui, steam-launch on afternoon of first Friday monthly, to return *via* Duvauchelle and not direct from Wainui.
- Gisborne—  
Gisborne—Tarewa—Morere—Nuhaka—Mahia—Wairoa, now made one through-service.  
Port Awanui—Hick's Bay, by inclusion of mail to and from East Cape Lighthouse once monthly.
- Invercargill—  
Otautau—Clifden, by inclusion of Scott's Gap (see "Established").
- Wanganui—  
Eltham—Awatuna and Punihu Stream—Opunake, services are now continuous.  
Moawhango—Waiouru, by inclusion of Te Moehau and Turangarere (new offices)  
Tokaanu—Pipiriki, by inclusion of Waiouru (new office).
- Wellington—  
Carnarvon—Feilding, to take in Ohakea—Sansom—Awahuri—Rongotea, by round service on four roads; Feilding—Awahuri—Rongotea to be Carnarvon—Rongotea—Sansom—Awahuri—Feilding; Wellington—Pelorus Sound—Havelock, by inclusion of Elaine Bay on outward trip (making a call both ways).
- Westport—  
Westport—Charleston, route to be *via* Nine-mile Beach.

## OCEAN MAIL-SERVICES.

Reference was made in last year's report to the fact that the Oceanic Steamship Company, of San Francisco (the J. D. Spreckels and Brothers Company), had secured a ten-years contract from the United States Government for a three-weekly service between San Francisco, Auckland, and Sydney by American-registered steamers, and that the United States maritime laws had been applied to the Hawaiian Islands, under which British vessels were prevented from trading between San Francisco and Honolulu.

This led the contractors, the Union Steam Ship Company (with whom the Oceanic Company were associated in carrying out the service), to appeal to the Government to cancel their contract as from the commencement of the Oceanic Company's new service, instead of allowing it to run out by effluxion of time in March, 1901. To agree to this involved the retirement of New Zealand from the position of principal contractor. It should be mentioned here that the colony initiated the service in 1870, on the collapse of the Panama line; maintained it under many adverse conditions, and for many years had borne the greater portion of the cost. The United States' contract with the Oceanic Company, and the application of the arbitrary maritime laws to the Hawaiian Islands, not only affected the Union Company as contractors, but it also meant that a New Zealand shipping company was to be driven out of the service. It was, however, fully recognised that it would be impossible for the Union Company to continue, as Messrs. Spreckels had secured an American subsidy of over £50,000 a year for their own vessels, and the "Moana" had already been shut out from carrying passengers and cargo between Honolulu and San Francisco—a very profitable section of the service. The Government, after very full consideration, decided to relieve the company of its contract as requested. It did so with considerable regret, and, in communicating the fact, complimented the company on the admirable manner in which they had carried out the service during the fifteen years they had been contractors.

The temporary renewal of the service was dealt with by the House of Representatives last session, when the following resolutions were agreed to on the 11th October, 1900:—

*Resolved*, "(1.) That this House authorises the Government to enter into a temporary agreement with the J. D. Spreckels and Brothers Company for the continuance of the San Francisco mail-service once every three weeks, in the place of four-weekly, for a period not exceeding twelve months, from about the 21st November, 1900. (2.) The payment for the conveyance of mails from New Zealand to San Francisco shall be at the rate of 10s. 5d. per pound for letters, 1s. per pound for books, packets, &c., and 6d. per pound for newspapers. (3.) The time between San Francisco and Auckland shall not exceed sixteen days. (4.) No bonus shall be paid for early arrival, and penalties at the rate of £4 an hour to be enforced only when late delivery exceeds forty-eight hours. (5.) All mails tendered to the contractors at Auckland and San Francisco by or on behalf of the Postmaster-General of New Zealand shall be conveyed by the contract vessels, and sufficient and secure accommodation shall be provided for the same. (6.) Suitable accommodation and lighting shall be provided for the purpose of sorting the mails on board the contract vessels, and first-class accommodation provided without charge for a mail-agent and an assistant, or, if required, two assistants. (7.) During the continuance of the contract, and so long as the same shall be faithfully carried out by the contractors, no charge for harbour dues, dock dues, or other rates shall be made or levied under 'The Harbours Act, 1878,' or any amendment thereof, or under any special Act in that behalf, at the Port of Auckland for any of the steam-vessels employed in carrying out the contract. (8.) Any agreement entered into between the Postmaster-General of New Zealand and J. D. Spreckels and Brothers Company shall, where applicable, follow the provisions of the agreement entered into with the Union Steamship Company of New Zealand (Limited), on the 14th day of August, 1895, and the renewed agreement made on the 11th day of April, 1899."

The resolutions in due course were forwarded to the Oceanic Company, and Mr. J. D. Spreckels (President of the Company) replied that, while he accepted the rates of payment fixed by the House, he declined to be bound by any contract until he had had experience of the running of the new steamers; and it was, perhaps, as well that he came to such a determination, because of the continued irregular running of his service since its initiation.