

Department has been unable to persuade to arrange for a Friday instead of a Saturday departure from Wellington, so as to bring the mails to Sydney in time for the outward despatch on the following Tuesday.

The Deputy Postmaster-General, Sydney.

I have, &c.,

W. GRAY, Secretary.

No. 86.

The SECRETARY, General Post Office, Wellington, to the MANAGING DIRECTOR, Union Steam Ship Company, Dunedin.

SIR,—

General Post Office, Wellington, 28th December, 1903.

Referring to your reply of the 29th June last [No. 13, F.-6B, 1903] to my letter of the 23rd May [No. 102, F.-6, 1903], about your company providing a Friday departure every third week from Wellington to Sydney, assuring connection with the Federal mail leaving Sydney the following Tuesday, I have now the honour, by direction of the Postmaster-General, to inquire whether circumstances have arisen which may now enable the thrice-weekly departure on the Friday following the arrival of the San Francisco mail at Auckland, to be arranged for at something like a reasonable cost.

I have, &c.,

W. GRAY, Secretary.

The Managing Director,

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

No. 87.

The MANAGING DIRECTOR, Union Steam Ship Company, Dunedin, to the SECRETARY, General Post Office, Wellington.

Union Steam Ship Company of New Zealand (Limited),
Dunedin, 18th March, 1904.

SIR,—

Referring to your letter of the 28th December, I beg to state that the advent during the past year of larger and faster steamers in the Wellington-Sydney service renders it less difficult now to arrange for such a connection as you desire; and we are glad to be able to revise our offer.

As you know, the weekly service from Wellington to Sydney is carried on by five steamers, the "Manuka," the "Moeraki," the "Monowai," and the "Warrimoo," belonging to the Union Steam Ship Company, and the "Victoria," belonging to Messrs. Huddart, Parker, and Co., each steamer making the round trip from Melbourne *via* Hobart and New Zealand ports to Sydney in five weeks. There is thus a possibility of delay arising at times from one or more of the following causes: viz., unusual quantity of cargo offering at any port, rainy weather preventing cargo from being worked, occasional scarcity of labour, and the working of tidal harbours such as Bluff and Dunedin. Under the circumstances, we do not care to render ourselves liable to a heavy penalty for failing to connect, but would at all times use our utmost endeavours to maintain the connection.

We are prepared, provided that penalties for non-observance are not too severe, to undertake to despatch a steamer from Wellington each third Friday at 4 p.m., arriving in Sydney, under ordinary conditions, before noon on the following Tuesday, for a payment of £500 per trip; term to be concurrent with the present contract for the San Francisco service.

I trust this offer will be looked upon as satisfactory.

I am, &c.,

JAMES MILLS, Managing Director.

The Secretary, General Post Office, Wellington.

No. 88.

The SECRETARY, General Post Office, Wellington, to the MANAGING DIRECTOR, Union Steam Ship Company, Dunedin.

SIR,—

General Post Office, Wellington, 30th March, 1904.

I have the honour to acknowledge the receipt of your letter of the 18th instant, offering, on behalf of your company, to despatch a steamer from Wellington every third Friday to connect with the Federal steamer due to leave Sydney on the following Tuesday, for a payment of £500 per trip, provided that the penalty fixed for misconnection is not too severe; the term of the arrangement to be concurrent with the present contract for the San Francisco mail-service.

In reply, I am directed to thank you for the offer, and to inform you that Government does not at present propose to take any action in the direction of subsidising a mail-service between this colony and Australia.

I have, &c.,

W. GRAY, Secretary.

The Managing Director,

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