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the use of the Federal services at Postal Union rates. New Zealand paid the Commonwealth 12s. per pound for letters, 1s. 6d. per pound for books, and 6d. per pound for newspapers; while the Commonwealth refused to pay the San Francisco contractors more than 2s. per pound for letters and 4s. 6d. per hundredweight for other matter—a payment wholly inadequate to the value of the service to Australia."

THE UNITED STATES FLAG.

In the New Zealand House of Representatives on the 13th November, 1903, a debate took place—the report of which extends to forty-six pages of Hansard—on the subject of the renewal for a further three years of the contract with the Oceanic Company. On that occasion the following remarks were made by the Premier of New Zealand, Mr. Seddon, with reference to the fact that the Oceanic is a United States company: "Ask the question broadly: Who are our nearest friends? and has America given proof of friendship? I say she has unmistakably, on more than one occasion. When Kruger appealed to the various nations for support, members will recollect the answer he received from America. There was no dragging of the British flag in the mud. I undertake to say there was not a New-Zealander but rejoiced to think that blood was thicker than water, and if we wanted a friend to keep the peace, as we did then, and say, 'Let our kindred alone,' it was America. She spoke out then, and she has spoken out since, with no uncertain sound; and when sons of New Zealand were imprisoned at Pretoria, wounded and sick, who was it we publicly in this House thanked for the services he performed? The Consul-General of America, who fed and sheltered them, and acted towards them as New Zealand would to America. It pains me, when dealing with a simple question of business as to whether we should pay £20,000 for good and efficient services rendered—especially when we cannot find any one else to do the business—that the question of the flag should be raised. It cannot be said I would do anything to drag our flag in the mud or to sully the honour of the nation. It shows the weakness of the case of those who use such arguments."

Sir Joseph Ward, the Postmaster-General of New Zealand, on the same occasion, dealing with the same point, said, "I take exception to the objection that in maintaining this service we are supporting an alien flag. It is quite true the Americans are a cosmopolitan nation, yet they are closely allied to us in ties of blood and friendship. They are a white people, and we know that in their day of trouble, when the war with Spain broke out and a hostile spirit was manifested towards them on the Continent of Europe, our own people in the Old Country were prepared, if the necessity arose, to come to their assistance and fight side by side with them. Has not America since then shown a similar spirit towards the Old Land? When things in South Africa looked dark, and the stirrers-up of strife and animosity against our own country were appealing to various Powers to help them, they did not exclude America from their field of operations. We know, however, that they got no consideration whatever from the country of the Stars and Stripes. Factors of this nature should weigh with those who are prepared to say things of an unfriendly nature towards the American people. We have also to recognise there are millions of people in the United States of America who have gone there from Great Britain to settle down and take part in the building-up of a cosmopolitan nation. It is far and away the most powerful nation among the neighbours of New Zealand. We are, so to speak, in the shadow of a country peopled by some eighty millions of people. This cannot be altered. They are there for all time, and so are we. Let us realise that besides being near to us it is the earnest hope of millions of people in the United States, and also in our own Empire, that there may be a closer union between the Stars and Stripes of America and the Union Jack of England for the purposes of mutual progress, defence and assistance between our own country and theirs. I, for one, take a very decided objection therefore to doing or saying anything against the flag under which millions of our own kith and kin live, and to whom they look for the freedom and protection which they enjoy. I say that in giving our support to the Fr'isco mail-service we are not assisting a foreign country, but in every sense of the word a friendly ally—an ally which would, I believe, if the necessity arose, fight to help England; and we in turn know that those responsible for the control of our own country would unmistakably fight to assist America against any foreign foe should necessity arise." In the same speech Sir Joseph Ward read a letter from the New Zealand branch of the Australasian Federated Seamen's Union, urging the Government to support the Oceanic Company, whose sailors, said the union, were the highest paid in the world.

It will be observed, by the paragraph that follows this one, that the establishment of a first-class line, substantially supported by the United States, was officially suggested in Australia in 1891.

THE UNITED STATES INVITED BY AUSTRALASIA TO "SUBSIDISE" THE ROUTE.

The following resolution was passed at the Conference of Australasian Postmasters-General held in Sydney in 1891: "That, seeing the advantages to be derived by the United States from a mail-service to Australasia, the United States Government be urged to substantially subsidise any main line between San Francisco, New Zealand, and Australia." It is singular that the very moment when the United States did "substantially subsidise" the line that Australia should reduce its support to the vanishing point.

Sydney, 1st February, 1906.