No. 121.

The Secretary, General Post Office, Wellington, to the Branch Manager, Oceanic Steamship Company, Auckland.

General Post Office, Wellington, 4th March, 1907. SIR.

I have the honour to confirm my telegrams of the 22nd ultimo and 2nd instant on the

subject of the San Francisco mail-service.

It is to be regretted that owing to the failure of your company to keep its steamers in proper repair, it should be found necessary for the Acting Postmaster-General to order that no mails for Great Britain shall be sent to or received from the United Kingdom by way of San Francisco until further notice. The irregular running of the steamers and the lengthy voyages which have been the rule for some time past render it imperative that the service should for at least a time be abandoned for mails beyond America. Under the circumstances it will not be necessary that the Mail Agents accompany the steamers. I should be obliged if you would direct that all mail-room fittings are to be handed over to the Chief Postmaster, Auckland.

I have, &c., W. GRAY, Secretary.

V. A. Sproul, Esq., Branch Manager, Oceanic Steamship Company, Auckland. [S.F. Agr. 07/66.]

No. 122.

The Secretary, Postmaster-General's Department, Melbourne, to the Secretary, General Post Office, Wellington.

Commonwealth of Australia, Postmaster-General's Department, Melbourne, 5th March, 1907.

Sir,-

I have the honour to acknowledge the receipt of your cablegram of to-day's date, which reads as follows [No. 120], and to inform you that the Deputy Postmasters-General in the several I have, &c., States are being advised accordingly.

The Secretary, General Post Office, Wellington.

ROBT. T. SCOTT, Secretary.

[S.F. Agr. 07/80.]

No. 123.

The Branch Manager, Oceanic Steamship Company, Auckland, to the Secretary, General Post Office, Wellington.

Oceanic Steamship Company, American and Australian Line,

Auckland, 6th March, 1907.

SIR,— We have the honour to acknowledge receipt of your communication of the 4th instant, confirming your telegrams of 22nd ultimo and 2nd instant, on the subject of the San Francisco mailservice, and regret that the Acting Postmaster-General deems it necessary to order that no mails for Great Britain shall be sent to or received from the United Kingdom by way of San Francisco until further notice. As already advised you, my company has made arrangements for a thorough overhaul of the steamers at San Francisco, and as soon as this is completed, and the steamers made thoroughly efficient in all departments, they will again take up the running, when we earnestly hope that the difficulties which have prevented the renewal of the mail contract will have been overcome, and that our steamers will once again carry the English mails to the entire satisfaction of We have, &c., vour Department.

OCEANIC STEAMSHIP COMPANY, V. A. SPROUL, Branch Manager for New Zealand.

The Secretary, General Post Office, Wellington. [S.F. Agr. 07/73.]

No. 124.

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

Resident Agency for New Zealand, San Francisco, 216 California Street, 6th March, 1907.

SIR,-

I have also to acknowledge the receipt on the 23rd February of your cable reading [No. 113], from which I understand that the mails intended for the "Ventura" have been withheld, and that they will be sent from Auckland about the 15th March, probably via Fiji and Vancouver, and that the London mails that would in the usual course come through here for the outward trip of the "Ventura" will, instead, be sent via Brindisi.

I am also in receipt of your cable of the 4th March, reading [No. 120]. This, I presume,

will mean a suspension of the mail route from England via San Francisco until such time as the Oceanic Steamship Company can put the line in such condition as to again inspire confidence. It will be hard to say when Messrs. Spreckels can again put their vessels in sufficiently good order to resume the service; and, to add to their difficulties, the 59th Congress has to-day adjourned without taking definite action in respect to the pending subsidy Bill. This may not be altogether adverse to the interests of the Oceanic Company, as the Bill that had reached its final stages provided for the participation of only the Panama line on the Pacific, and the next Congress may possibly bring forward a Bill that will include all Pacific lines.