

1873.

NEW ZEALAND.

CHARTERING OF EMIGRANT SHIPS BY THE AGENT-GENERAL,

(CORRESPONDENCE RELATIVE TO).

Return to an Order of the House of Representatives, dated 24th July, 1873.

"That a copy of a Letter addressed to Messrs. Owen and Graham by Shaw, Saville, and Co., and transmitted to the Colonial Secretary, on the subject of the chartering of emigrant ships by the Agent-General, be laid upon the Table and printed."—(*Mr. T. B. Gillies.*)

No. 1.

His Honor T. B. GILLIES to the Hon. the COLONIAL SECRETARY.

SIR,—

Wellington, 18th July, 1873.

I enclose a letter addressed to Messrs. Owen and Graham, of Auckland, by Messrs. Shaw, Saville, and Co., of London, in reference to immigration arrangements in London, which I have been requested to bring under your notice and the notice of the House. After perusal I shall feel obliged by your causing it to be laid on the table of the House.

The Hon. the Colonial Secretary, Wellington.

I have, &c.,

THOMAS B. GILLIES.

Enclosure in No. 1.

MESSRS. SHAW, SAVILLE, and Co., to MESSRS. OWEN and GRAHAM.

DEAR SIRS,—

London, 16th May, 1873.

Your Government, we find, have recently sent home to Dr. Featherston certain instructions in the matter of emigration which compel us, for the protection of our interests, and, we venture to think, of yours also, to lay before you a short history of our dealings with that gentleman.

You are aware that last year we made a contract, which expired in March last, for the conveyance of all the English emigrants at £13 per adult, the Government not being bound to ship any specific number of passengers in each vessel.

In January of the present year we offered to renew this contract for another twelve months at the same price as regarded ships having not less than 200 emigrants, and at £14 per adult for a less number than 200 in a ship. This offer Dr. Featherston, after telegraphing to the Government, declined. He then advertised for tenders for two ships to sail in April. We tendered at £19 19s. per adult. It appears there were no others tenders, and at an interview with Dr. Featherston we agreed to reduce the rate to £17, one or two small concessions being made in the terms.

Two more ships were then put up for May, one for Auckland and one for Otago, and again no one tendering but ourselves, our tenders were accepted.

The day after they were accepted we discovered that a full complement of emigrants for Canterbury had been given to Mr. Turner (representing the Shipping Company) for a ship to sail also in May, without any tender being solicited either from us or from the general public, although it was well known that we would have been prepared to take a low rate for those emigrants.

Subsequently, the Agent-General advertised for tenders for five ships to sail in June. Hearing in the city that Mr. Turner had stated that notwithstanding tenders were solicited, he was positively promised the Canterbury emigrants, we saw Dr. Featherston, and asked him plainly whether this was true, pointing out that in that case it was useless for us to tender at all. He admitted the truth of the statement, and said that although he solicited a tender, yet that he had positive instructions from the Government to give the Canterbury emigrants to Mr. Turner, even although our tender was 10s. or £1 below that gentleman's, and that he should act on these instructions.

Notwithstanding this announcement, on the advertised date we sent in tenders for all the ports at £14 per adult for Otago, Canterbury, Wellington, and Auckland, and at £16 per adult for Napier, the price to be £1 more per adult if all our tenders were not accepted. Dr. Featherston, at the interview we had with him when the tenders were opened, at first told us that he could not accept our Canterbury tender, he having made a private arrangement with Mr. Turner for three or four ships. On reconsidering the matter, however, he accepted all our tenders.

This, we are quite sure, would not have been the case had we not inserted the clause about our price for the other ports would be £1 per adult more if all the ships were not taken. Now the point we wish to bring before you is this: We offered in January last to renew our contract on nearly the same terms as last year. Our offer was declined by the Agent-General. We then tendered, guided by existing circumstances, at a high rate for single ships, and were accepted; always stating our willingness to contract at a low figure for a period, if only for three or six months; but we were always met by the positive assurance of the Agent-General that his instructions were under no circumstances to contract for a period. When Mr. Turner arrives on the scene, however, this policy seems suddenly abandoned, and the Agent-General enters into a time contract with him, guaranteeing a minimum of 200 passengers per ship at just £3 10s. per head above the price he declined to contract with us for in January, just three months before. In other words, the Agent-General has orders to go through the farce, as it is in reality, of asking for tenders, but to give a large portion of the emigration business to one man, regardless of price.

Now, whatever faults we have, and however the clients of the Bank of New Zealand may complain of us, we venture to say that we think we have at all events conducted the emigration business of the Government both safely and well; and we would further venture to ask on what grounds it is possible to justify the absolute refusal of our offer of £13, and the immediate acceptance of Mr. Turner's at a much higher figure.

We do not wish to make any comments, but would merely remark that to support the Company got up by the Bank of New Zealand, by the lavish and needless expenditure of the public funds, which we have pointed out, is, to say the least of it, a very curious mode of conducting Government business.

You will quite understand that we do not in any way blame Dr. Featherston for this state of things: he has at all times treated us with the utmost courtesy, and we have every reason to suppose that, in acting as he has done, he simply carries out the instructions he receives from the Government.

All we ask of the Government is, that we should be placed on the same footing as others. We are willing to tender ship by ship, month by month, or for a longer period, but in common justice let the competition, if there is to be one, be genuine, and, the ships being equal, let the lowest tender be accepted.

We are quite sure you will agree with us that there is something very wrong indeed in the existing state of affairs, which is as unfair to us as it is to the taxpayers of New Zealand, who are, after all, the real sufferers.

We are sending similar letters to our other agents, and trust to your kindly co-operating with them in any steps that may be taken to bring about a more healthy condition of this particular branch of public business.

Messrs. Owen and Graham, Auckland, N.Z.

We remain, &c.,
SHAW, SAVILLE, and Co.