

166. *Hon. Mr. Williamson.*] Every ton of through freight from England that New Zealand takes by way of Australia increases the capacity of Australia to employ these steamers, and decreases the ability of New Zealand too?—Yes.

Mr. James Mills
18th Aug., 1881.

APPENDIX C.

THURSDAY, 18TH AUGUST, 1881.

Hon. Mr. J T PEACOCK examined.

Hon. Mr. Peacock.

18th Aug., 1881.

167. *The Chairman.*] You are one of the directors of the New Zealand Shipping Company?—Yes.

168. Do you think there is any probability of your company going into a direct steam service: would you be inclined to turn your ships into steamers?—I do not think there is any probability of that. Of course I am not prepared to state the minds of the directors of the company. My own opinion is that they would have nothing at all to do with steam at the present time.

169. Not even with a bonus?—That is another question altogether. That depends how much, of course.

170. Would the company not be inclined to entertain any proposal if they got suitable encouragement?—It would be a question for the shareholders. I question very much if the directors would recommend it. From my experience in connection with ships, I do not think at the present time this colony has any necessity for a subsidized steam service.

171. You are of opinion the colony is not yet ripe for it?—Not for a subsidized steam service for cargo or passengers.

172. Do you think there would not be sufficient trade?—I dare say there would be sufficient trade, if you could induce shippers to pay much larger freight than they are bound to pay at the present time to get their stuff away.

173. Are you not of opinion, if we had a direct steam line, it would tend to increase the passenger traffic—that the steam line would be more attractive to passengers?—Taking my own opinion, I doubt very much if it would, as they can come and go now, *via* Australia, rather more cheaply than the figure named in the correspondence.

174. *Mr. Oliver.*] You have had some experience with steamers?—Yes.

175. Will you tell us what were the conditions?—Two or three years ago, the New Zealand Shipping Company chartered one steamer, called the “Stadt Haarlem.” She was full of passengers and cargo out from England, and on her leaving New Zealand, but the result of the voyage out and home was a very heavy loss.

176. And since that you have had further experience?—Only last year we had one steamer, and were interested in another. They were two of Money Wigram’s steamers. These steamers had to load at sailing-ship rates, and the consequence was each lost money; and when they arrived in London they were laid up.

177. I suppose shippers gladly availed themselves of steamers in preference to sailing ships?—It may seem strange, but I do not think shippers would care particularly to avail themselves largely of steamers, except, possibly, at one part of the year—the first of the wool season.

178. *Mr. Pitt.*] You say these steamers were full?—Yes, they were full; they loaded at sailing-ship rates. Of course, shippers might prefer steamers to sailing vessels at the same rates.

179. *Mr. Oliver.*] What was the rate of speed of these vessels?—I do not think they were very fast boats.

180. How many days did the voyage outward take?—One of them sixty, I think; the other about fifty-nine.

181. And the Home voyage, how long did that take?—I cannot remember now; about the same, I think.

182. *Hon. Mr. Richardson.*] Would any strange steamer coming in have had the opportunity which these steamers had, of obtaining loading readily: I mean if they were not connected with your company, or other companies?—No; I do not think they would.

183. *Hon. Mr. Reynolds.*] Why, would they not have the same facilities if they came to an opposition agency, as if coming to the New Zealand Shipping Company?—Because the New Zealand Company, who were acting in conjunction with another firm, had a sufficient number of ships loading at the time to take the cargo then offering, part of which cargo was given to the steamers.

184. *Hon. Mr. Richardson.*] I understand if they came to any other firm, and not to your company, they would not have had the same facilities to fill up so soon?—No. Two shipping firms were interested, and both did their utmost to load them in the shortest time possible.

185. *Hon. Mr. W Johnston.*] You have some idea of the loss made by these three steamers? Perhaps you could indicate to the Committee how much subsidy it would require to cover the loss annually?—I do not think I should be in a position to say what the subsidy should be; but, if you go by the calculation of the writers of these letters (Galbraith and Denny’s letters), they say £80,000, provided the Government would guarantee them 450 steerage passengers each voyage. They require a guarantee not only of the subsidy, but of 450 passengers a trip.

186. *Mr. Bain.*] You say you do not think the colony is ripe for a direct steam service?—No; I think not.

187. But if we pay a subsidy at all, do you not think it is better to pay for a direct steam service?—I say the country cannot afford to give a subsidy for a passenger or commercial service. If we pay a subsidy at all, it should be simply for mails.

STATEMENT by the Hon. Mr. PEACOCK.

(1.) Advantages of a direct steam service are not equivalent to cost if largely subsidized.

(2.) Grain and wool shippers would prefer vessels to be always ready to receive cargo as it arrives from