

vessels, of the gross register tonnage of 4,000 tons each, with a guaranteed sea-going speed of twelve knots. These vessels are being built by Messrs. Elder and Co., of Glasgow, and their name is sufficient guarantee that they will be of the very highest class. The Chairman and Managing Director of the company is in England, and will see that they are fitted out in every way suitably for the work they have to perform, including refrigerating machinery. All three boats are well advanced. The first is to be launched by the end of August, and they should all be ready to leave for New Zealand within six months from the present time. In the meantime the chartered vessels have arrived in the colony; the first, the "British King," in 49 days 14 hours, including all detentions; the second, the "British Queen," in 48 days 5 hours; and the third, the "Ionic," in the remarkably short time of 43 days 22 hours, or 43 days 6 hours steaming time. The "British King" and "British Queen" have reached home in 47 and 46 days respectively. The "Catalonia," now on the passage, is expected here in the course of next week. The "British King" left the Cape of Good Hope, on her second voyage to the colony, on the twenty-second day out from England. The "Doric," the other chartered vessel, is laid on to sail on the 28th instant for Auckland as the first port of call, and is a sister ship to the "Ionic."

The company were induced to take early action in this matter owing to the House of Representatives having passed, on the 28th August, 1882, a resolution, which is printed in full in the parliamentary paper F.—2, 1883; and we thought that, although the offer contained in our letter of the 8th August last, above quoted, was not accepted by your Government, still, as soon as it could be shown that a really good line of steamers was established, there would be no difficulty in coming to a fair arrangement with the Government within the limits of the resolution of the House of Representatives above referred to, and the more so when the service was established by a local company such as the New Zealand Shipping Company.

We think it must be admitted that the service this company has established is far superior in every way to that contemplated when the resolution was passed by the House of Representatives last year. It has been established in the face of very great difficulties, and obviously there will still be many more difficulties to overcome before the service is thoroughly organized.

We now approach the Government with a view of ascertaining whether they are prepared to enter into a contract with this company for either of the following services: (1) A service once a calendar month each way not exceeding fifty days from London to and from New Zealand. Each vessel to visit at least two of the following ports in the colony, *i.e.*, Auckland, Wellington, Lyttelton, and Port Chalmers, at the option of the company; or (2) a service once every four weeks each way, to be arranged so as to leave England and the colony to alternate with the sailing dates of the mail steamers by San Francisco, the service to be performed in forty-five days each way. By this proposal the colony would have a fortnightly steam mail service of its own, and a very large saving would be made by the colony, owing to its mails going direct instead of by way of Australia, and only having to pay the company 1d. per letter instead of the whole postage.

We consider that such a service as either of the above should be for a period of at least five years; but, in deference to the expressed opinion of Parliament last year, we are prepared to undertake either to continue the present service, or to adopt the alternative one above suggested for a period of three years.

In the event of the Government wishing to adopt the four-weekly service to alternate with that by San Francisco, there would be thirteen voyages each way; and this company would require a subsidy of £20,000, together with all the emigrants and cargo the Government may have to send to the colony during the currency of the contract.

In the event of the Government being content with the service as at present established, namely, for twelve voyages each way, we ask that we shall receive all the emigrants and cargo the Government may have to send to the colony during the currency of the contract, the emigrants to be carried on the conditions and at the rates specified in the amended regulations handed to us by the Hon. the Minister of Immigration, namely, £16 per statute-adult and £9 10s. for children between twelve months and twelve years old, infants free; and, in the case of emigrants that it may be arranged shall come by sailing-ships, the rates of passage-money to be £14 7s. 6d. per adult, and £8 7s. 6d. for children; and all cargo on the same terms as those now in force for Government material.

We are sure that the Government will notice with much gratification that, although the service was only commenced in February last, already a regular stream of emigration has set in by the company's steamers, by steerage passengers paying their own way.

We hope the Government may see their way to accept one of the above proposals, and that their decision may be come to at an early date, in order that we may make such arrangements as will insure a continuance of the service without any break.

We have, &c.,

H. P. MURRAY-AYNSLEY, Deputy-Chairman,

EDWARD RICHARDSON, Director,

For the New Zealand Shipping Company.

The Hon. the Premier.

No. 4.

The Hon. the PREMIER to the NEW ZEALAND SHIPPING COMPANY (LIMITED).

GENTLEMEN,—

Government Offices, Wellington, 23rd July, 1883.

I have the honour to acknowledge the receipt of your letter of the 20th instant in reference to the steam service between England and New Zealand now carried on by the New Zealand Shipping Company (Limited).

2. You propose that the Government shall enter into a contract, for three years, for one of the alternative services you specify