1884. NEW ZEALAND.

CONVEYANCE OF IMMIGRANTS AND CARGO BY DIRECT STEAM LINE TO THE COLONY

(FURTHER CORRESPONDENCE RELATIVE TO).

[In Continuation of F.-4, 1883.]

Presented to both Houses of the General Assembly by Command of His Excellency.

No. 1.

The Agent-General to the Hon. the Postmaster-General.

7, Westminster Chambers, London, S.W., 31st May, 1883. In the letter which I addressed to you on the 1st instant,* I told you that I did not then dismiss altogether the chance of some proposal being made jointly by the New Zealand Shipping Company and the Shaw-Savill-Albion Company; and I mentioned that perhaps a way might seem open, if the two companies could not approach each other, for some proposition by the New Zealand Shipping Company on its own account. SIR.-Shipping Company on its own account.

Shipping Company on its own account.

I have now to state that, notwithstanding all the efforts which I have made, and the recommendations that I have given, we must give up any idea of united action by the two companies: indeed, I now think it most likely that they will come to open war about the trade. But it has now been finally determined by the Shaw-Savill-Albion Company to build two steamers at once, in addition to those which the New Zealand Shipping Company is building; and the plans for these two steamers have been settled. It is therefore certain that there are now five steamers building, and he impredictely built for the New Zealand trade. or to be immediately built, for the New Zealand trade.

I received this morning the Hon. the Premier's telegram informing me of the agreement you have made with the Government of New South Wales for the renewal of the San Francisco contract. For the present, therefore, I may assume the postal question to be settled. With regard to the question of Government freight and emigrants in the steamers now being despatched by the New Zealand Shipping Company, I am at this moment endeavouring to prevent an open rupture between the two companies over a claim set up by the New Zealand Shipping Company, which would create a monopoly of the trade in their favour. As this subject, however, comes more properly in the department of the Hon. the Minister for Immigration, I do not now trouble you with any remarks thereon.

on.
I have not yet been able to go to Paris, but have engaged to do so early next month.
I have, &c.,
The Hen the Postmaster-General Wellington.
F. D. Bell.

The Hon. the Postmaster-General, Wellington.

No. 2.

The AGENT-GENERAL to the Hon. the MINISTER of IMMIGRATION.

7, Westminster Chambers, London, S.W., 12th June, 1883. SIR. In my letter of the 31st ultimo, No. 155, I described in general terms the position in which

In my letter of the 31st ultimo, No. 155, I described in general terms the position in which I found myself by what seemed an impending rupture between the New Zealand Shipping Company and the Shaw-Savill-Albion Company.

I stated plainly to both sides that I should regard any scheme of one company for inflicting injury on the other by offering to carry our emigrants and freight at losing rates, with the same aversion as a claim to a monopoly of our emigrants and freights, and as being an equal violation of the understanding which I had found in existence upon taking office; and I added that unless the companies could make up their differences I should have to take my own course without reference to either. reference to either.

While this was pending Mr. Coster, Managing Director of the New Zealand Shipping Company, was unfortunately taken ill, and was for some days in a dangerous state, so that I could not have personal communication with him; and, as time pressed, it became necessary for me to settle without further delay the method on which I should resume our emigration next month. I required the Shaw-Savill-Albion Company, before I would determine to continue their share of the Government business, to give me evidence of their intention to take their share in direct steam by forthwith proceeding with the building of the two steamers they had been contemplating; and it may now be announced that there will soon be five new steamships in the trade. The New Zealand Shipping Company did not think it necessary to consult me in any way as to the designs for their boats, but have been good enough to invite me to go and look at them while building. As to the Shaw-Savill-Albion Company's boats, I am to see the designs presently at Glasgow, and they are sure to be such as to carry out my own views as to what such boats should be. I shall be in a position shortly to describe what all the five ships are.

Upon these matters reaching this stage, I proceeded to settle the method according to which the emigrants should be sent out between the present time and October next; and, this being done, the two companies have been called upon to provide the necessary tonnage in the manner and at the dates I have fixed upon. One leading condition I have had in view has been to give a reasonable number of people to every monthly steamer sent out by the New Zealand Shipping Company, but I have determined not to send more than three hundred, as a general rule, in any steamer. It has to be remembered that steamers will certainly carry a number of steerage passengers paying their own fares; and it is most essential, for many reasons, that there should not be a great crowd of people on board, whatever the size of the steamer or her capacity for carrying them may be.

of people on board, whatever the size of the steamer or her capacity for carrying them may be.

I now begin to see my way better to the despatch to you which I have been contemplating for some time, on the general question of immigration.

I have, &c.,

The Hon. the Minister of Immigration, Wellington.

F. D. Bell.

No. 3.

The AGENT-GENERAL to the Hon. the POSTMASTER-GENERAL.

Sir,—

7, Westminster Chambers, London, S.W., 29th June, 1883.

I have the honour to acknowledge the receipt of your two letters of the 20th April,
F. 83-186, and 19th May, F. 83-244,* on the subject of the direct steam service.

I learn with great satisfaction that the Government have decided to wait till Parliament shall have had the opportunity of again considering the whole question; and I hope that, when the Legislature reviews what has been done, and examines the real causes why no tenders came in on the 30th April, your course in the future will be more clear. I am gratified to find that the steps I have taken myself, so far, have been approved; and I beg to be permitted to express the obligations I am under to you for the very generous terms in which that approval has been conveyed.

I have, &c.,

The Hon. the Postmaster-General, Wellington.

F. D. Bell.

No. 4.

The Hon. the Minister of Immigration to the Agent-General.

Sir,— Immigration Office, Wellington, 21st July, 1883.

My attention having been directed by Mr. Macandrew, M.H.R., to the advantages of "Isbister's great sectional ship," I have the honour to transmit for your information a copy of a pamphlet descriptive of the vessels which Mr. Isbister proposes should be built in future. If you can find an opportunity of bringing the pamphlet under the attention of shipbuilders or other competent judges I shall be obliged by your doing so.

I have, &c.,

W. Rolleston,

The Agent-General for New Zealand, London.

Minister of Immigration.

No. 5.

The AGENT-GENERAL to the Hon. the MINISTER of IMMIGRATION.

Sir.—

7, Westminster Chambers, London, S.W., 26th July, 1883.

I received yesterday your telegram informing me that my letters on immigration business up to June (No. 5, F.-4, 1883) had been received; also instructing me that the question of immigration service and freights was before Parliament, and that I was not to enter into new engagements till further advised. I immediately returned a message stating that I should of course be ready to give effect to whatever Parliament might decide.

Some days before receiving your message private cablegrams had been received here to the effect that it was most likely the Government would give a contract to the New Zealand Shipping Company for a year, leaving themselves free to deal with the steam question generally next session. This news arrived just when I had all but completed the letter which, as you know, I have been intending for some time past to send you, containing my own views on the immigration business. It is obvious, however, that, if you have given a contract in New Zealand to the New

 $D_{1}-4$.

Zealand Shipping Company (or any one else), the conditions of that contract may materially affect my views, or even make them impossible to carry out at all. Under these circumstances, I think it best to wait till I hear what Parliament has decided, which I suppose I may expect to do I have, &c., F. D. Bell. by cable in a few days.

The Hon. the Minister for Immigration, Wellington.

No. 6.

The Hon. E. RICHARDSON to the Hon. the PREMIER.

N.Z. Shipping Company (Limited), Wellington, 3rd August, 1883. In compliance with your request this morning, I wired to Christchurch for a statement showing what had taken place, as between Messrs. Shaw, Savill, and Company and the New

Zealand Shipping Company, in connection with the initiation of the direct steam service.

Doubtless the arrival of the "Catalonia" in Lyttelton this morning has prevented my receiving a reply, as the officers of the company will no doubt be in Lyttelton. I therefore now do myself the honour to forward you the following statement, which is substantially correct, but without dates, as it is given from memory: The offer made by Mr. Coster on the 8th August last year was made with the concurrence of Messrs. Levin and Co., the agents for the Shaw-Savill Company; and by arrangement with them, if that offer had been accepted, the two companies were to run their boats month about. In the following October the New Zealand Shipping Company decided that a steam line must be started and that without loss of time. They therefore cabled Home to order three boats to be built, feeling sure the Shaw-Savill Company would do the same with a view of joining them in the service. They also cabled Home instructing the London manager to look for steamers to charter, and to advertise at once a direct line of steamers to New Zealand. The "British King" was chartered, and the line advertised, the first boat, the "British King," to start from England on 20th January this year. Application was made by our London manager to the Shaw-Savill Company to follow the "British King" with a transplain in February which was declined by them and consequently, there was no head steamship in February, which was declined by them; and, consequently, there was no boat leaving England in February, and the New Zealand Shipping Company here had to charter the "Fenstanton" to fulfil their engagements for return freight, made in anticipation of there being a steamer from Home in February. The New Zealand Shipping Company then chartered the "British Queen" for March, and applied again to the Shaw-Savill Company to send a boat out in April. This was refused, on the ground that the time had not come for such a fast service as that April. This was refused, on the ground that the time had not come for such a fast service as that initiated by the New Zealand Shipping Company. The New Zealand Shipping Company then chartered the "Ionic" and "Doric," and the Messrs. Shaw-Savill Company were informed that, if they joined in the service afterwards, it would only be on the condition that they shared the cost of the whole business from the first start. Since Mr. Coster arrived in England last April he, as managing director of the New Zealand Shipping Company, has seen Mr. Galbraith, who, I believe, holds a similar position in the Shaw-Savill-Albion Company, and no reference to the matter has been made by the latter; consequently the New Zealand Shipping Company continue running the service by themselves.

I have, &c.,

The Hop, the Premier

The Hon. the Premier.

EDWARD RICHARDSON.

Enclosure 1 in No. 6.

Mr. ISAAC GIBBS to the Hon. E. RICHARDSON.

Christchurch, 3rd August, 1883. Mr. Coster has taken his letter-book with press copies cablegrams in it re alternate despatch steamers, but following is extract from minutes of 30th October last: "It was resolved, That, in view of the action of the Government in calling for tenders for a direct steam service to commence in April next, and Messrs Shaw, Savill, and Company's action in advertising a steamer direct to New Zealand, it is necessary to instruct Mr. Strickland to arrange for the charter of steamers with option of purchase, and to agree to an alternate despatch monthly with Messrs Shaw and Savill, commencing promptly." The following is extract from minutes of 9th January: "Direct steam— This subject again occupied the attention of the Board, and it was decided that, as the amalgamated companies had declined the overtures of this company for an alternate monthly despatch of steamers, the London manager should be instructed to make no arrangement in this direction without special reference to the directors in the colony."

The Hon. E. Richardson, Occidental Hotel, Wellington.

ISAAC GIBBS.

Memorandum.—Since this telegram was handed in by me yesterday I have received by mail two more extracts of the minutes of proceedings of the Shipping Company's Board at their meetings on the 14th and 28th November, 1882, which I now supply for the information of the Government. -Edward Richardson, 4th August, 1883.

Enclosure 2 in No. 6.

Extract from Board Minutes of 30th October, 1882.

IT was resolved, That, in view of the action of the Government in calling for tenders for a direct steam service to commence in April next, and of Messrs Shaw, Savill, and Company's action in advertising a steamer direct for New Zealand, it is necessary to instruct Mr. Strickland to arrange for the charter of steamers with option of purchase, and to agree to an alternate despatch monthly with Messrs Shaw, Savill, and Company, commencing promptly.

EXTRACT from Board Minutes of 14th November, 1882.

Direct Steam.—Telegrams which had passed between London and the Head Office on this matter since last meeting were read, considered, and the latter approved. A conversational discussion took place on the whole question and position, and the Board were unanimous in the resolve to adhere to the policy they had entered upon, and the managing director was desired to act accordingly.

EXTRACTS from Board Minutes of 28th November, 1882.

It was decided that the "British King" should proceed first to Wellington from London coming on to Lyttelton for loading and despatch homewards. Failing the amalgamated companies' accepting the offer of alternate despatch, and providing a steamer for February, it was decided to despatch the "British Queen" on 20th February for Port Chalmers direct, and to continue monthly despatch thereafter. It was also decided to cable Mr. Strickland to spare no expense in making the chartered service as perfect as possible in all arrangements.

EXTRACT from Board Minutes of 9th January, 1883.

Direct Steam.—This subject again occupied the attention of the Board, and it was decided that, as the amalgamated companies had declined the overtures of this company for an alternate monthly despatch of steamers, the London manager should be instructed to make no arrangements in this direction without special reference to the directors in the colony.

ISAAC GIBBS, Secretary.

Enclosure 3 in No. 6.

Mr. Isaac Gibbs to the Hon. E. Richardson.

Christchurch, 6th August, 1883. J. R. STRICKLAND cabled, on 6th February, as follows: "James Galbraith will not on any account accept less than £40,000 subsidy per annum. Speed not under $10\frac{1}{2}$ knots or 11 knots.'
The Hon. E. Richardson, Wellington. ISAAC GIBBS.

No. 7.

The Hon. the Minister of Immigration to the Hon. E. Richardson, C.M.G.

Immigration Office, Wellington, 20th August, 1883. SIR,-I have the honour to transmit herewith, for your information, a copy of the report of the Joint Direct Steam Service Committee, from which you will learn that the contemplated arrangements with the New Zealand Shipping Company for the conveyance of immigrants and cargo have to be set aside in favour of the proposals which are embodied in the report of the Joint Committee.

I hope shortly to be able to communicate with you as to the manner in which the Government propose to give effect to the suggestions of the Committee.

I have, &c., W. Rolleston,

The Hon. E. Richardson, C.M.G., Wellington.

Minister of Immigration.

Enclosure in No 7.

REPORT of the Joint Direct Steam Service Committee.—(I.-10, 1883).

The Committee to whom was referred the consideration of the proposals for a direct steam service between Great Britain and New Zealand, have the honour to report that they have adopted the following resolutions: (1.) That no contract for a direct steam service should be entered into before the next session of the General Assembly. (2.) That, in the meantime, the Government should make such arrangements, consistent with efficiency, as will be least burdensome on the public revenue. (2) That in making such arrangements due record cheerly be resident to the chief. public revenue. (3). That, in making such arrangements, due regard should be paid to the claim which the New Zealand Shipping Company, by its enterprise, has upon the colony. (4). That, having regard to the safety and comfort of passengers, the Government should give the preference to unsinkable ships. (5.) That the Bluff should be included in the ports of arrival and departure which shall be optional for steamers under arrangements with the Government.

15th August, 1883. Daniel Pollen, Chairman.

No. 8.

The Hon. the Minister of Immigration to the Agent-General.

Sir,—

Immigration Office, Wellington, 8th September, 1883.

I forward herewith for your information a copy of the report of the Joint Committee on Direct Steam Service,* and I shall be glad if you will, pending further instructions, make arrangements for sending immigrants as far as possible in accordance with the terms of the resolution I have, &c., W. Rolleston. adopted by the Committee. The Agent-General for New Zealand, London.

No. 9.

The Hon. the Premier to the Agent-General.

The Agent-General for New Zealand, London.

No. 10.

Mr. H. P. Murray-Aynsley to the Hon. the Minister of Immigration.

(Telegram.) Christchurch, 28th September, 1883. When writing by "Doric" next Friday to our London manager we hope to be able to give him full instructions as to Government business. Will you, therefore, before that date, if possible, inform us what determination the Government has come to in this matter.

The Hon, W. Rolleston, Wellington,

H. P. MURRAY-AYNSLEY, Deputy Chairman, N.Z. Shipping Company.

No. 11.

The Hon, the Minister of Immigration to H. P. Murray-Aynsley, Esq.

(Telegram.) Government Buildings, 28th September, 1883. GOVERNMENT has forwarded resolutions of the Parliamentary Committee to the Agent-General, and instructed him to give effect to those resolutions. Agent-General has already been informed of their purport by cablegram. The instructions will be supplemented in matters of detail by subsequent mails, and the Agent-General will communicate with your London manager as to the course to be taken in pursuance of his instructions.

H. P. Murray-Aynsley, Esq., Deputy Chairman, N.Z. Shipping Company, Christchurch. W. ROLLESTON.

No. 12.

The AGENT-GENERAL to the Hon. the MINISTER of IMMIGRATION.

Sir,—

7, Westminster Chambers, London, S.W., 30th September, 1883.

In more than one letter since the beginning of this year I have stated my intention of submitting to you the views which had been gradually forming in my mind on the management of our immigration, and on the best way of getting out people of different classes to the colony.

Before, however, I could safely place my opinions on official record, it was necessary for me to take plenty of time to bring together the points that had to be considered in our practice and compare them with the practice of other colonies, that is to say, if I was to propose anything that could be called method, to put in the place of the spasmodic make-shifts which had been the rule for so many years.

I had taken some pains in the matter, not only because the subject was very interesting in itself, but because the welfare of the colony must long continue to be bound up in the character of its immigration. And I was ready to send you my views when news came to me from private sources that the Government were about to make a contract providing for the transport of all the Government immigrants in steamers and sailing vessels of the New Zealand Shipping Company. As such a contract would certainly affect very materially what I was myself recommending, it became necessary for me to postpone any proposals of my own until I should know what the conditions of the new contract were, and could review my proposals by the light of those conditions. A good deal of time has passed over since then. But I had indulged the hope all along that, whether your proposals were adopted or not, Parliament would, in any case, come to a decision which should allow of immigration being continued on some really permanent method, and which should enable you, after having considered my recommendations, to send me orders for the initiation of such a method, and for remedying the many defects which the experience of past years had shown to exist. And I thought this all the more certain to happen, because the change from a sailing service to a service partly by steam and partly by sail obviously required the greatest precaution and altogether new provision of an exceptionally difficult kind.

That hope has now been dispelled by your cablegram of the 22nd September, in which you tell me that Parliament has only permitted temporary arrangements to be made for the requirements of the current year. It would be a waste of time, therefore, to lay before you proposals which depended absolutely upon the element of permanence, and which would be inapplicable in their present shape to any temporary make-shift. Whatever orders you may be sending me shall, of course, be carried out to the best of my ability; but no harm can come now from putting off a statement of my views until I receive the despatches by the "Catalonia" to which you referred me in the cablegram, and can see how far I can make those views fit in with the decision to which Parliament has come.

I have, &c.,

The Hon. the Minister of Immigration, Wellington.

F. D. Bell.

No. 13.

The Agent-General to the Hon. the Minister of Immigration.

SIR. 7. Westminster Chambers, London, 1st October, 1883. In one of the newspapers that came by the last mail there appears a paragraph containing a telegram from some correspondent of the paper at Wellington containing a variety of absurd statements respecting the course taken in this office ahout the vessels of the New Zealand Shipping Company and Shaw-Savill-Albion Company. So far as the paragraph in question refers to myself I do not stoop to take any notice of it; but, lest any false impressions should have been created by it against the officers of my department, I have thought it right to refer the paragraph to Mr. Kennaway for report. I now append a minute by him, and trust that, in justice to him and my other officers, you will be pleased to publish it in the same journal in which the paragraph was I have, &c., F. D. Bell. allowed to appear.

The Hon. the Minister of Immigration, Wellington.

Enclosure 1 in No. 13.

Memorandum for the Agent-General.

REFERRING to the newspaper paragraph headed, "Agent-General and the Steam Service," I have to

1. The "Doric" took 274 souls, equal to 236½ statute adults—not 74, as stated in the paragraph. We offered to make the number up to 300 statute adults, equal, approximately, to 350 souls, but the New Zealand Shipping Company could not take that number, and even asked us to reduce the number which they had originally engaged to take by that vessel. You are aware that this circumstance occurred also in the case of the "British Queen," sailing in September, and that the Shipping Company are unable to take emigrants by the "Tongariro," necessitating your engaging the sailing ship "Waitangi" for conveyance of emigrants to Canterbury.

2. As regards the "British King's" first voyage, the New Zealand Shipping Company would not come to terms as to rates of passage-money; and as regards her second voyage, that vessel was despatched at a time of year (June) when, in accordance with instructions from the Government, emigrants were not to be despatched, the object being to avoid their arriving in the winter months.

3. As regards the statement that persons inquiring at this office are "carefully acquainted" with particulars as to the Shaw-Savill-Albion Company's ships, and not as to the New Zealand Shipping Company's, I have made strict inquiry of the officers of this department, and I find it is absolutely untrue. The instructions to the officers of the department who have to answer such inquiries are to hand the person inquiring a leaflet, which we distribute by thousands, and which We offered to make the number up to 300 statute adults, equal, approximately, to 350 souls, but

- inquiries are to hand the person inquiring a leaflet, which we distribute by thousands, and which contains a paragraph giving particulars as to the sailing ships of both lines, and specially draws attention to the monthly steamers of the New Zealand Shipping Company. If persons inquiring wish to know anything further, as to dates of sailing, &c., they are referred to Mr. E. A. Smith, who informs me that he invariably mentions both lines of vessels.
- 4. Cards, giving particulars of both lines, are exhibited on a board in a prominent position in his office.
- 5. I also attach the form we issue in large numbers declining persons for free and assisted passages, in which attention is again specially drawn to all the regular direct lines of vessels trading between this country and New Zealand.
- 6. I have more than once asked both companies to supply this office with their printed prospectus as to dates of sailing, &c., of their respective vessels, so that I may distribute them to intending paying passengers, but neither have complied with my request, except in one or two instances of not very recent date.
- 7. I do not know that anything more can be done than is done for the purpose of impartially bringing both companies' ships before the notice of the numerous persons who inquire at this office WALTER KENNAWAY, for information as regards paying passages.

4th October, 1883.

Secretary to the Agent-General's Department.

Enclosure 2 in No. 13.

The AGENT-GENERAL and the STEAM SERVICE.
[By Telegraph. From a Correspondent.]

Wellington, Sunday. CONSIDERABLE attention has been attracted by the Agent-General's last telegram, showing that he CONSIDERABLE attention has been attracted by the Agent-General's last telegram, showing that he had sent only 74 emigrants by the 5,000-ton steamer "Doric," which is likely to come out in forty-five days, while he has sent 340 each by the 1,000-ton saling vessels "Nelson" and "Taranaki," which are pretty certain to take at least ninety days; in fact, Sir F. Dillon Bell's attitude toward the New Zealand Shipping Company's direct steam service, it is thought, imperatively needs some explanation, it being remembered how he impliedly disregarded the "British King," which came out first in forty-nine and now in forty-four days, while he was loud in his praise of Shaw-Savill's "Westmeath," which occupied sixty days in the passage, and so grievously disappointed the Auckland people when she did arrive. It is also asserted by the Wellington Post that passengers seeking at the Agent-General's office directions as to the see youage to New Zealand are carefully seeking at the Agent-General's office directions as to the sea voyage to New Zealand are carefully acquainted with all Shaw-Savill's ships and their dates of departure, but that no information is given as to the New Zealand Shipping Company's vessels. I myself have been shown a letter the writer of which distinctly asserts that this was done in his case, and he is greatly aggrieved to have been induced to make a long voyage in a sailing ship when he could have come out in less than half the time by the New Zealand Shipping Company's steamer. I fancy the attention of the Government has been directed to these peculiar and suggestive facts, and that an explanation will be demanded by to-day's outgoing mail.

No. 14.

The Hon. the Minister of Immigration to the Agent-General.

Immigration Office, Wellington, 6th October, 1883. SIR. I forwarded to you by the mail leaving Wellington on the 9th September a copy of the

Report of the Joint Committee on the Direct Steam Service, and requested you, pending further instructions, to make arrangements for sending immigrants as far as possible in accordance with the terms of the resolutions adopted by that Committee.

I find myself under some difficulty in giving more explicit directions in the absence of the report from you which I have been expecting for some time past, as the questions involved necessarily require knowledge of a special character, such as can only be obtained by direct communication from your office.

You will understand, therefore, that Government does not desire to fetter your discretion in matters of detail, provided effect is given to the intention of Parliament in dealing with the future

shipping arrangements. The purpose of the first resolution, as understood by the Government, was to indicate that no arrangement for the year should be entered into which would give a monopoly to any one company on the Government freights and passengers by steam vessels, the desire of Parliament being to wait the course of events, at any rate for another year, and, while so delaying, to gain such experience of the working of the two services as would enable it to consider what more permanent arrangements could be made hereafter.

The first object to be kept in mind is the making Government freight and immigrants a means of establishing and maintaining a regular direct steam service monthly, and, with this view, both freight and immigrants should be given to steamships in preference to sailing vessels, if those ships fulfil the necessary conditions as to cost as well as other particulars. Secondly, the arrangements for carriage by steamers as to diet, &c., should be those which have obtained to the present time, with such modification as your experience may suggest for the shorter voyage by steamers. Thirdly, the cost per head of immigrants should not exceed that which has obtained in recent shipments by the steam vessels; the Government leave it to you to determine whether you think it would be reasonable to insist on a lower rate.

Having determined the rate per head for passengers, and the conditions to be insisted on,

in terms of the second resolution of the Committee, the opportunity of filling in the space in their steamships should be given first to the New Zealand Shipping Company.

It would seem, from the experience of the "Doric" and "Ionic," that a larger number of paying passengers will be taken monthly, and it will be undesirable to interfere with these. I am hopeful that the question will continue to be one of filling in with Government immigrants in all the steamers, and, provided equally good arrangements are made for the separate accommodation of single women as have been made in the ships named, I have no fear that the difficulty arising from the mixture of passengers in other parts of the ship will fail to be met. As you have previously indicated, the success largely depends upon the appointment of skilled surgeons and matrons. This was remarkably shown in the "Doric."

The question remains as to how any immigrants who cannot be carried by the monthly steamers should be disposed of. The Government desire that you should make such arrangements from time to time as will meet your requirements, giving due weight in the selection of vessels to the description of the ships to be employed and the character of their officers.

With regard to vessels leaving from the Clyde, the Albion Company should have the preferential claim; and with regard to those leaving London, the claims of the New Zealand Shipping Company should be first considered, other things being equal.

I shall address you in a separate letter, forwarding plans of the ship to which the resolution proposed by Mr. Macandrew in the Committee refers.

I have, &c., W. Rolleston,

The Agent-General for New Zealand, London.

Minister of Immigration.

No. 15.

The Hon, the Minister of Immigration to the Agent-General.

Immigration Office, Wellington, 6th October, 1884. SIR. I have the honour to forward herewith photographic plans of the ship alluded to in the resolution of the Direct Steam Service Committee, which I forwarded to you by the last mail. I have to request that you will take such steps as you may deem advisable to bring these plans under the attention of prominent firms connected with shipbuilding, especially those who are engaged in building ships for the New Zealand service. As you are aware, great interest has been shown in this form of ship by Mr. Macandrew, and I shall be glad if you will enable me to inform him of the course which you have taken in compliance with my request. I have, &c.,
W. Rolleston,

The Agent-General for New Zealand, London.

Minister of Immigration.

No. 16.

The Agent-General to the Hon. the Minister of Immigration.

7, Westminster Chambers, London, S.W., 25th October, 1883. I observe from the newspapers which have come by the September mail that the stories SIR. referred to in my letter of the 1st instant (No. 279) continued to go the round of the Press in the colony.

The accusations were formulated in categorical terms: (1) That "the great majority of the Government immigrants were sent by the Shaw-Savill line, and only a few by the New Zealand Shipping Company's steamers;" (2) That "a similar preference was given to a sailing ship of the Shaw-Savill line in a valuable shipment of ferrets;" (3) That "intending passengers were being recommended in this office to the favoured line, while the fact of there being a direct steam service was carefully ignored or concealed."

I disposed of the last of these three absurdities by the proofs transmitted in my letter of the 1st instant, showing that we were circulating leaflets by thousands, in which the New Zealand

Shipping Company's direct line was expressly described.

As to the shipment of ferrets, the New Zealand Shipping Company were asked to let them be sent in one of their steamers, but they refused (I think very properly) on account of the offensive odour given out by those animals. For the same reason, no ferrets have ever been sent in our

emigrant ships.

As regards the numbers of emigrants sent out by the ships of the two companies, I transmit herewith a memorandum by Mr. Kennaway; and also the minute of the 11th June last, whereby I settled the scheme on which the people were to be sent out up to the end of the present month of October. At that time there were 2,750 statute adults to be sent out, and the substance of that scheme was that, while I allotted 850 to the ships of the Shaw-Savill-Albion line sailing from the Clyde and 450 to their ships sailing from Plymouth, I allotted 500 to the New Zealand Shipping Company's sailing ships and 950 to their steamers.

Now the first mail that could have taken out that scheme would have arrived at the end of

July. If, therefore, I had happened to send you a copy of the scheme then, and you had happened to lay it before Parliament, the authors of all that sensational story would have found themselves confronted, at the exact time of its circulation, by the evidence that they had been amusing them-

selves with a pure delusion.

In justice to my officers I hope you will allow this letter to be published.

The Hon. the Minister for Immigration, Wellington.

I have, &c., F. D. Bell.

Enclosure 1 in No. 16.

SCHEME APPROVED by the AGENT-GENERAL.

4 - A January Company	 					•
Company.	Destination.	Port of Embarka- tion.	Date of Embarka- tion.	Num- ber of Emi- grants.	Approximate Date of Arrival in the Colony.	Description of Vessel.
New Zealand Shipping "Shaw-Savill-Albion "New Zealand Shipping Shaw-Savill-Albion New Zealand Shipping "" "Shaw-Savill-Albion New Zealand Shipping "" "" "" "" "" "" "" "" ""	Wellington Canterbury Auckland Otago Canterbury Wellington Otago Auckland Canterbury Wellington Canterbury Wellington Ctago Wellington Canterbury Add a ship for Canterbury to sail in October, with 250.	Plymouth " Clyde Plymouth Clyde Plymouth " Clyde Plymouth " " " " " " " " " " " " " " " " " "	July 28 " " 25 Aug. 1 " 15 " 31 Sept. 15 " 26 " 29 " " Oct. 20 " 27 " "	125 125 250 { 300 200 200 250 250 200 50 300 100 150 250	1883. Sept. 25 " 25 Oct. 25 Sept. 25 Nov. 1 " 15 Oct. 25 Dec. 15 " 26 Nov. 25 "1884." Jan. 20 Dec. 26 " "	Steamer. Sailing-ship. Steamer. Sailing-ship. Steamer. Sailing-ship. Steamer. " Sailing-ship. Steamer. " Sailing-ship.

June, 1883.

W. KENNAWAY.

The New Zealand Shipping Company's steamers would take 950, and sailing-ships 500, from Plymouth; the Shaw-Savill-Albion Company's steamers would take 450 from Plymouth and 850 from the Clyde: total, 2,750.

June, 1883.

W. Kennaway.

There would arrive in September, 1883, 250; in October, 1883, 450; in November, 1883, 750; in December, 1883, 750; in January, 1884, 550: total, 2,750.

There would be despatched to Wellington, 475; to Canterbury, 925; to Auckland, 500; to Otago, 850: total, 2,750.

Enclosure 2 in No. 16.

MR. KENNAWAY,-

I have now given careful consideration to the scheme proposed by you for the next few

months respecting the shipment of our emigrants, and I approve it entirely.

The number, however, being 2,500 adults, your proposal is that the New Zealand Shipping Company's steamers should take 950, and sailing ships 250—aggregating 1,200; while the Shaw-Savill-Albion Company's sailing ships should carry (including the Clyde ships) 1,300. It would be advisable to anticipate the ensuing season to the extent of one ship for Canterbury, to sail in October with about 200 to 250 people, and you might arrange for a New Zealand Shipping Company's ship to take them by and by; but this need not be done yet.

Write to the two companies stating that, with reference to the conversations that have recently taken place between their representatives and myself, it has appeared to me desirable to decide upon the manner in which the emigrants should be divided between the companies, and the dates at which they should be requested to provide ships; acquaint them generally with the scheme, and ask each to let you know whether it will suit them to provide the shipping at the

times stated.

If the matter is finally settled, take all steps to give effect to your scheme. 11th June, 1883.

F. D. B.

Enclosure 3 in No. 16.

Mr. Kennaway to the Manager, New Zealand Shipping Company.

SIR,-7, Westminster Chambers, London, S.W., 11th June, 1883. I am directed by the Agent-General to inform you that, with reference to the conversations that have recently taken place, it has appeared to him desirable to decide upon the manner in which the emigrants which it is intended to despatch within the next few months shall be divided between the Shaw-Savill-Albion Company and the New Zealand Shipping Company, and to fix the approximate dates at which the ships will be required.

I have therefore to inform you that the Agent-General proposes to send emigrants (not to exceed 250 in number) by each of the monthly steamers which your company despatch in July, August, September, and October, and also by one or two sailing ships in each month, which will

take emigrants to those ports which the monthly steamers will not entirely serve.

In July, in addition to the emigrants for Wellington and Canterbury, who will, he assumes, go by your monthly steamer, he will require a sailing-ship from Plymouth to Auckland, to sail on the 25th of that month, which he will ask the Shaw-Savill-Albion Company to provide.

A vessel from the Clyde will take emigrants (300) for Otago on the 1st August, and, in addition to 200 to be sent by the monthly steamer, there will be an additional number (200), to embark from Plymouth on the 15th of that month, by a sailing-ship to be provided by the Shaw-Savill-Albion

Company.

In September the Agent-General will despatch a sailing-ship from Plymouth, and one from the New Zealand Shipping Company, to sail on the 26th of Clyde, the former to be provided by the New Zealand Shipping Company, to sail on the 26th of that month, taking 250 emigrants, and the latter by the Shaw-Savill-Albion Company, to sail on the 15th, with a similar number; and there will be the usual number (250) for the monthly steamer.

In October the Agent-General proposes to send, towards the end of the month, 250 emigrants from the Clyde, and also 250 by the monthly steamer from Plymouth; and possibly another sailing-ship will be required to be provided by the New Zealand Shipping Company.

As the fixing of the destinations of the sailing-ships will in some measure depend upon the steamers, it will be necessary for you to furnish me with the dates of sailing from Plymouth, and the destinations of your steamers, for the months of July, August, September, and October as soon as you possibly can.

In acquainting you with these proposals I am further directed by the Agent-General to request you to inform me whether it will suit you to provide the shipping required of your company at the

times stated herein.

I have, &c.,
Walter Kennaway,

The Manager, New Zealand Shipping Company.

Secretary, Agent-General's Department.

A letter of similar tenor and date was addressed to the Manager of the Shaw-Savill-Albion Company.

Enclosure 4 in No. 16.

MEMORANDUM for the AGENT-GENERAL.

REFERRING to the number of ships and emigrants despatched within the last twelve months, I beg to report, as follows:-

1. On the resumption of emigration last year (1882) the system under which the shipping arrangements had been made for several years, under the contract with the New Zealand Shipping

Company, was continued.

2. Under this system, when a vessel was required for the conveyance of emigrants from Plymouth to the colony, the New Zealand Shipping Company were asked to make the necessary arrangements; it being understood that the Plymouth emigration was equally divided between that company and the Shaw-Savill Company, in accordance with private arrangements made between those companies at the time when the New Zealand Shipping Company first undertook the shipping contract. The emigration from the Clyde was dealt with separately, the emigrants from

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that port to Otago being sent out in the vessels of Messrs. P. Henderson and Co.'s line. attach copy of correspondence which resulted in the engagement of the steamship "Westmeath," to show the modus operandi in engaging emigrant ships through the New Zealand Shipping

3. This system (of each company taking its turn as regards the emigrants from Plymouth) was first broken into in the case of the New Zealand Shipping Company's vessels, the "Waipa," "British Queen," and "Ionic" taking Canterbury emigrants consecutively. It was intended, I may add, to suspend emigration from the end of March, in accordance with the instructions from the colony; but special exception was made in the case of the "Ionic," in order that that vessel,

starting in April, might be supplied with a shipment of emigrants.

4. When in the present year (1883) emigration was temporarily suspended, so as to avoid the arrival of emigrants in the colony in the winter, a total of 2,569½ statute adults had received passages; of these, 935 were despatched from Plymouth in four ships of the New Zealand Shipping Company, 906 were sent from the same port in three ships of the Shaw-Savill Company, and 728½

were despatched from the Clyde in three ships of Messrs. P. Henderson and Co's. line.

5. On the resumption of emigration an alteration was made in the system, and the separate arrangement as regards the Clyde emigration was dropped; and the shipping arrangements which were thereupon made provided, inter alia, first, that the New Zealand Shipping Company should share equally with the Shaw-Savill-Albion Company in the number of ships despatched with emigrants, including both those from Plymouth and those from the Clyde; and secondly, that a number of emigrants should under any circumstances be available for each of the New Zealand

number of emigrants should under any circumstances be available for each of the New Zealand Shipping Company's monthly steamers.

6. The estimate of numbers of ships and emigrants then made provided that the New Zealand Shipping Company should take 950 statute adults by their steamers, and about 500 by their sailing ships, or 1,450 in all; and that the Shaw-Savill-Albion Company should take about 1,300 in all (including those to be despatched from the Clyde). I attach copy of the estimates then made, and also copy of letter addressed to each of the companies specifying these arrangements. Under the old system the New Zealand Shipping Company would have had 950, Shaw, Savill, and Co., 950; and P. Houderson and Co., 850

and P. Henderson and Co., 850.

7. These estimated numbers could not eventually be strictly adhered to, because, first, the New Zealand Shipping Company (to whose choice it was left) selected Auckland, instead of Wellington and Canterbury, as the destination of their steamer "Doric;" (second) the "Doric," "British Queen," and "Ionic" took so large a number of paying passengers as to shut out a number of Government emigrants which this department was ready to send, thus unavoidably diminishing the numbers it was estimated would go by them; and (third) a larger number of emigrants came

forward for passages by the sailing ships than was anticipated.

8. When the three vessels which will be despatched within the next ten days have sailed, and about 250 emigrants for Auckland (who are now ready to go, and will be sent by a New Zealand Shipping Company's ship) have embarked, the actual numbers which each shipping company will have had during the latter part of this year will stand as follows—namely, 1,482 statute adults will have had during the latter part of this year will stand as follows—namely, 1,402 statute address will have been despatched in six ships of the New Zealand Shipping Company, and 1,630 in six ships of the Shaw-Savill-Albion Company (including the emigrants from the Clyde), being 150 taken by the latter company in excess of those taken by the New Zealand Shipping Company; which, however, I may add, would have been more than made up had the steamers "Doric," "British Queen," and "Ionic" been able to take the full number of emigrants ready to go by those vessels.

24th October, 1883. Walter Kennaway.

Sub-Enclosure 1 in Enclosure 4 in No. 16.

7th February, 1883. (Telegrams.) From Agent-General to New Zealand Shipping Company.—We shall want a ship to take emigrants to Auckland early in March. Further particulars by letter.

Answer.—Wait. Any idea how many?

From Agent-General.—About 200 adults. Answer.—O.K.

Sub-Enclosure 2 in Enclosure 4 in No. 16.

Mr. Walter Kennaway to the Manager, New Zealand Shipping Company.

7, Westminster Chambers, London, S.W., 7th February, 1883. SIR,-I have to inform you that a vessel will be required to take Government emigrants to Auckland, to embark from Plymouth as early in March as can be conveniently arranged, say, on the 9th or 16th of that month. There would probably be about 200 statute adults ready to embark.

I have therefore to request you to make the necessary arrangements, and advise me of the same on as possible.

I have, &c.,

Walter Kennaway,

as soon as possible.

New Zealand Shipping Company.

Secretary, Agent-General's Department.

Sub-Enclosure 3 in Enclosure 4 in No. 16.

The Manager, Shaw-Savill-Albion Company, to the Agent-General.

Shaw-Savill-Albion Company (Limited),

Offices: 34, Leadenhall Street, E.C., London, 8th February, 1883. SIR.-The New Zealand Shipping Company have handed to us your letter of yesterday's date, notifying that a vessel will be required to take Government emigrants from Plymouth to Auckland

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about the 9th or 16th of March, and that the number will probably be about 200 statute adults. In the course of a day or two we hope to be able to advise you the name of the ship we propose for the service.

We have, &c.,

SHAW-SAVILL-ALBION COMPANY (LIMITED),

John GREENWAY,

The Agent-General for New Zealand.

Manager.

Sub-Enclosure 4 in Enclosure 4 in No. 16.

The Manager, Shaw-Savill-Albion Company, to the Agent-General.

Shaw-Savill-Albion Company (Limited),

Sir.— Offices: 34, Leadenhall Street, E.C., London, 8th February, 1883.

Referring to our letter of this morning, on the subject of emigrants to Auckland, we now beg to inform you that we have just fixed the fine new steamer "Westmeath," 3,190 tons gross register, 1,800 indicated h.p., to embark emigrants at Plymouth for Auckland direct on the 16th March. We shall be happy to take your emigrants by this vessel, and, as our Mr. Galbraith informs us that you are willing to pay £15 a head by steamer, we presume you will have no objection to this price being paid us.

The steamer will be here next week, and we are sure Mr. Smith will find her, on inspection, all

that can be desired. Yours truly,

SHAW-SAVILL-ALBION COMPANY (LIMITED),

John Greenway,

The Agent-General for New Zealand.

Manager.

No. 17.

The AGENT-GENERAL to the Hon. the MINISTER of IMMIGRATION.

Sir,—

7, Westminster Chambers, London, S.W., 26th October, 1883.

I have the honour to acknowledge the receipt of your letter of the 8th September (No. 170), transmitting a copy of the report of the Joint Committee of both Houses on the direct steam service, and directing me, pending further instructions, to make arrangements for sending immigrants as far as possible in accordance with the resolutions adopted by that Committee.

I am very sensible of the responsible nature of the duty which you thus confide to me, and still more so of the generosity with which, for the present, you leave the making of the necessary temporary arrangements to me on this side. The Government may depend upon my doing my best to give full effect to the resolutions in the fairest way I possibly can. It is certain that the views of the Joint Committee can, without any difficulty, be brought into practical operation here, so far as the doing of it depends upon me, and I will not allow myself to suppose that difficulties will be made by anybody else.

I shall now complete at once the statement of my views on the immigration question generally, for which you have waited so long, and I will send it to you as soon as I possibly can; but at this moment I have so much work which must be done immediately that I cannot see a

chance of my being able to send you the statement by the San Francisco mail.

I have, &c., F. D. Bell.

The Hon. the Minister of Immigration, Wellington.

No. 18.

The Agent-General to the Hon. the Postmaster-General.

SIR,—

7, Westminster Chambers, London, S.W., 2nd November, 1883.

Adverting to the statement I have made in a previous letter (31st May, 1883) as to the intention of the Shaw-Savill-Albion Company to build steamers for the direct trade, as well as the New Zealand Shipping Company, I transmit herewith the copy of a letter I have received from Mr. Galbraith, forwarding the designs of the boats now building, together with my reply. The

Mr. Galbraith, forwarding the designs of the boats now building, together with my reply. The plans themselves are in charge of the purser of the steamship "British King."

I had wished very much to be able to accompany these designs with the plans of the fine steamers "Tongariro" and "Aorangi," recently built by Messrs. J. Elder and Co. for the New Zealand Shipping Company. But on applying to that company for particulars they informed me that full information had already been sent out by them to the Government; and therefore, although I have not myself had the advantage of seeing the designs of the "Elder" ships, or the opportunity of offering any suggestion respecting them, you will be able to compare them with the "Denny" ships yourself.

In any case the colony is to be congratulated on the great strides that have been made in the last two years by the building of so many fine steamships for the direct steam service.

The Hon. the Postmaster-General, Wellington.

I have, &c., F. D. Bell.

Enclosure 1 in No. 18.

Mr. James Galbraith to the Agent-General.

Sir,—
I send by parcel post to-day plans of steamers building by Messrs. William Denny and Brothers, for Shaw-Savill-Albion Company's line of steam and sailing ships to New Zealand.

The dimensions of these steamers are—length on load-water line, 420 feet; breadth, 46 feet; depth, 32 feet; with a citadel deck for accommodation of first-class cabin passengers, and a poop for second-class cabin, and a topgallant forecastle. They are being built of steel, with a cellular double bottom for 800 tons water-ballast, in order to keep the vessels in trim as the coal for the voyage is being burnt out, as well as giving great additional strength to the hull, and an important element of safety should they take the ground. The gross tennage (register) is about 5,200 tons. The guaranteed average speed at sea is 12½ knots, but a higher rate of speed I do not doubt will be attained. The first-cabin accommodation in the citadel is (with the exception of a few family rooms of three berths) in state-rooms of two berths, 9 feet by 6 feet; and one-half of the second-cabin accommodation is in two-berth state-rooms. The 'tween-decks will be clear fore and aft for steerage passengers, accommodating there 580, at 18 superficial feet per adult, and fitted with pipe ventilation, which, though expensive to fit, is much more thorough than any other ventilation. steamers are being built to the highest class at Lloyd's (under special survey), will have electric lighting, and every modern luxury. Fitted with refrigerators for conveyance of, at least, 750 tons of frozen meat. The citadel, upper and main decks, are of steel (sheathed with wood, of course), adding greatly to the structural strength of the vessels.

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Any further information required in regard to these steamers I will be very pleased to furnish

I have, &c., you with.

JAS GALBRAITH.

Sir F. Dillon Bell, K.C.M.G., Agent-General for New Zealand, London.

Enclosure 2 in No. 18.

The Secretary to the Agent-General to Mr. James Galbraith.

SIR,-7, Westminster Chambers, London, S.W., 1st November, 1883. I am directed by the Agent-General to acknowledge the receipt of your letter of the 31st ultimo, together with the plans of the steamers building by Messrs. W. Denny and Brothers for the

Shaw-Savill-Albion Company.

The Agent-General has examined these plans with great interest, and will have great pleasure in transmitting them to the New Zealand Government with your letter. They evince a careful regard to those requirements of a direct steam service which have been the subject of such frequent consultation between the Agent-General, yourself, and the Messrs. Denny during more than two years; and, comparing them with the original designs when first he entered into communication with you, they show improvements of such high value as cannot fail, in his opinion, to make the ships eminently suited to the development of the New Zealand trade.

I have, &c.,

WALTER KENNAWAY, Secretary, Agent-General's Department.

James Galbraith, Esq 15, St. Vincent Place, Glasgow.

No. 19.

The Agent-General to the Hon. the Minister of Immigration.

7, Westminster Chambers, London, S.W., 8th November, 1883. I transmit to you herewith a minute which I have prepared for the consideration of the New Zealand Shipping Company and the Shaw-Savill-Albion Company, on the subject of the temporary arrangements to be made for the conveyance of Government emigrants and freight during the period extending from the present time to the next session of Parliament.

Since receiving your letter of the 8th September (No. 170) I have given the most careful consideration to the course which was most likely to carry out the resolutions of the Joint Committee of last session. The more I thought of it the less I liked the responsibility of deciding upon that course myself, for there are difficulties inherent to the management of emigration by steam, or partly by steam and partly by sailing-ship, which it is quite impossible that any scheme whatever should be able to obviate. However, I have done the best I could, and now wait to see what the

two companies will propose.

The chief difficulty that I had lay, of course, in the second and third resolutions. The second resolution says that the arrangements (being consistent with efficiency) are to be such as shall be least burdensome to the revenue; and the third says that due regard is to be paid to the claims of the New Zealand Shipping Company. Now supposing it should turn out that the New Zealand Shipping Company adhere to the rate of £16 they asked in the colony, and the Shaw-Savill-Albion Company adhere to their offer of £13 10s., the lowest rate ought, apparently, to be accepted, under the second resolution: but then what would become of the third? It is clear that I must not interpret either resolution in a sense that would be inconsistent with the other, but endeavour to give effect as far as possible to both.

The minute points to some of the embarrassments that will always exist. Be pleased, for instance, to take the case of the 250 Otago and Canterbury people whom I offered to the New Zealand Shipping Company for their steamship "Aorangi." When they were declined it would have been absurd to make them wait a month for the next steamer of the same company, or to force them to go by sailing ship when there was a steamer of the other company ready to take them. manner, the New Zealand Shipping Company have only this morning declined to take 250 Auckland emigrants I offered them for the steamer "Doric," and if the other company had a steamer leaving early in December, instead of on the 10th January, I should certainly send them by her instead of by the sailing-ship nominated by the New Zealand Shipping Company.

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The mention of these cases reminds me that it will constantly be the question with the owners of steamers as to which of the two policies they will choose: whether to make sure of Government emigrants first, and take their chance of paying passengers afterwards, or wait to see what paying passengers they are to have, and then take their chance of getting emigrants. But their interest in deciding that question will never be the same as the colony's, and this alone would be a strong reason against giving a monopoly of the Government business to any one.

I hope the effect of the minute may be to bring the companies together, and induce them to continue a healthy competition, without disturbing the good relations between them, by which the

interests of the colony can, in my opinion, be best served. The Hon. the Minister of Immigration, Wellington.

I have, &c., F. D. Bell.

MINUTE by the AGENT-GENERAL for the Consideration of the New Zealand Shipping Company and Shaw-Savill-Albion Company on the Conveyance of Government Emigrants and Freight. THE Agent-General invites the consideration of the two shipping companies to the following observations upon the temporary arrangements that have become necessary for the period extending from the present time to the next session of the New Zealand Parliament.

Enclosure in No. 19.

A Joint Committee of both Houses sat last session to consider the proposals then before the Legislature for a direct service, and adopted the following resolutions: "(1.) That no contract for a direct steam service should be entered into before the next session of the General Assembly. (2.) That, in the meantime, the Government should make such arrangements, consistent with efficiency, as will be least burdensome on the public revenue. (3.) That, in making such arrangements, due regard should be paid to the claim which the New Zealand Shipping Company, by its enterprise, has upon the colony. (4.) That, having regard to the safety and comfort of passengers, the Government should give preference to unsinkable ships. (5.) That the Bluff should be included in the ports of arrival and departure which shall be optional for steamers under arrangements with the Government."

It has now, accordingly, become the Agent-General's duty to make such temporary arrangements for the Government emigrants and freight as shall be most nearly in accord with the resolutions of the Joint Committee, and he invites the co-operation of the two companies to that

It will be desirable, with that object, to review the present position of the matter.

When emigration to the colony was resumed at the end of 1882 the Government business had been managed for several years on the following system: As regarded emigrants from Plymouth the practice had been, whenever a vessel was required, to call upon the New Zealand Shipping Company to provide one under the contract made with that company in 1878, there being an understanding between them and Messrs. Shaw, Savill, and Company to share the Plymouth business between them. As regarded emigrants from the Clyde, these had been treated separately and sent in ships belonging to the Albion Company. The Agent-General did not, at the time he is speaking of, see any reason to make changes in a system which had, on the whole, worked well, especially when cordial relations had for many years subsisted, not only between the three companies themselves, but between them and the officers of his department.

But at the end of last April several circumstances had happened to make a modification of the system desirable. The Shaw-Savill Company and Albion Company had amalgamated; the New Zealand Shipping Company had started a monthly line of steamers; the time for receiving tenders for a Government service had expired; the Agent-General had been unsuccessful in his endeavours to induce the companies to make either a separate or a united tender; and he had seen with regret that, while the good understanding between them and his officers remained undisturbed, the relations between the companies themselves had become sensibly impaired. Without dwelling on the discussions which then took place, it will be enough to say that in the end both companies alike expressed a wish that he should temporarily settle the apportionment between them of the Government business, and state the manner in which he desired it to be carried out, pending a

decision of the whole question by the Government.

In determining the scheme on which that apportionment should be made, the leading principle with the Agent-General was simply this: If either of the companies had tendered for the service on the 30th April, that company would have had a fair claim to all the Government business that could be given to it without detriment to the public service; but, when both refused to tender, though both alike declared their intention of going into steam, it became, in his opinion, the interest of the colony to give a monopoly to neither. The colony recognized that the New Zealand Shipping Company were entitled to the fullest consideration for their courage and enterprise in being the first to establish a monthly line of their own; but it would have been idle to ignore how much the establishment of any line whatever had been due to the mass of varied information brought together by the Government; nor could it be forgotten how much of this information had been freely given by Mr. Denny and Mr. Galbraith, or that they had been the first to fit up a ship with refrigerators and test the success of the trade in frozen meat. The Agent-General considered it to be due to the New Zealand Shipping Company to abolish the separate character of the Clyde emigration, and by that abolition he much increased their share in the Government business. On the other hand he required of the Shaw-Savill-Albion Company, if they were still to have a share, that they also should take their part in steam and build not less than two first-class steamers for the trade.

Now at the time these events were happening about 2,750 statute adults had to be sent out to make up the number for that season: and the effect of the scheme settled by the Agent-General was that, while 1,300 of these people were allotted to the Shaw-Savill-Albion Company, 1,450 were

allotted to the New Zealand Shipping Company, 950 of whom were to go in their monthly steamers. Under the former system the Albion Company would have had 850, Messrs Shaw-Savill 950, and the New Zealand Shipping Company 950; that is to say, the two first-named companies would together have had 500 more, and the New Zealand Shipping Company 500 less. It was very difficult to settle the relative numbers, by reason of the varying destination of each set of emigrants, and of the intricate arrangements depending on that variation; nor was it ever supposed that it might not be necessary to change the numbers more or less. Indeed circumstances afterwards happened to lessen the number originally estimated for the New Zealand Shipping Company's ships, but this was only an apparent disadvantage, as the number would have been more than made up if the steamers "Doric," "British Queen," and "Ionic" had not (fortunately for the colony) been too full of paying passengers to take their complement of Government emigrants. On the whole the scheme worked out very nearly, while it was of course one manifestly to the

advantage of the New Zealand Shipping Company as compared with the former system.

The essential features of the scheme may be shortly summarized: (1) Neither company having tendered on the 30th April, neither of them was to have a monopoly afterwards; (2) the New Zealand Shipping Company having three steamers building, the Shaw-Savill-Albion Company having three steamers building, the Shaw-Savill-Albion Company having three steamers building, the Shaw-Savill-Albion Company having three steamers building the Shaw-Savill-Albion Company having three steamers shall be shortly summarized. were to build two themselves; (3) the separation of the Clyde emigration was to be abolished and all Government emigrants to be dealt with as one total; (4) the two companies were to share about equally in the emigrants, so far as the varying destinations of the people would allow; (5) but the New Zealand Shipping Company were to have at any rate 250 adults for each monthly steamer if there was space for them; (6) lastly, the rate per statute adult was to be £15, and

£9 for children under twelve years.

The Agent-General thinks that this scheme came near, by anticipation, to the conditions afterwards laid down by the Joint Committee, and he would be ready to continue it until next session if the companies preferred it. At the same time, there are two other alternative courses, either of which he would be prepared to adopt.

Under the first of these alternatives the course would be as follows: (1.) The New Zealand Shipping Company would have the preference in the conveyance of Plymouth emigrants by steam, their regular monthly steamer being first filled up to the space available between decks. (2.) The separation of the Clyde would be re-established, and Clyde emigrants be sent in ships of the Shaw-Savill-Albion Company. (3.) After providing for the New Zealand Shipping Company's regular monthly steamer, arrangements would be made from time to time with either company, whether by steamer or by sailing ship, as the exigencies of the emigration service might require.

Under the second alternative the simple plan would be adopted which has more than once been discussed between the companies, namely, that, as the New Zealand Shipping Company were then to build three steamers and the Shaw-Savill-Albion Company only two, the number of emigrants should be taken as one total extending over the whole season, three-fifths to be allotted

to the former company, and two-fifths to the latter.

In stating these three alternative courses the Agent-General does not mean that he excludes other proposals; on the contrary, he will be glad to consider any which the companies, either together or separately, may wish to bring before him. In any case, however, it would have to be understood that, while he sees nothing at present to prevent his supplying the number of emigrants he contemplates, the Government cannot be expressly bound to do so.

In apportioning the emigrants to be sent during any season it may seem, to those who have not had experience in the management of emigration, an easy thing to decide that so many people shall be sent by steamers from month to month; but in reality nothing is more difficult. The varying number of nominations that come from the different provincial districts, and the uncertainty as to how many of those nominated will go or at what time they will be ready, occasion much perplaxity; the stream of emigration has to be pressed at some periods of the year, and slackened at others; the number of paying passengers that may come forward for a particular steamer is necessarily uncertain, while her destination naturally depends very much on the number of paying passengers she will get; it is only reasonable that the shipowners should delay as long as possible fixing either her destination or the number of emigrants she can take, whereas it is absolutely necessary for the Agent-General to know in ample time the ports and the numbers he has to issue embarkation orders for: these, and a variety of similar points, cause endless embarrassment. An illustration may be given which will be immediately familiar to Between the end of October and beginning of January the following direct both companies. steamers have either sailed or are advertised:-

Names of Steamers.	Tons. Company.		Destination.		
Oct. 26. "Tongariro"			N.Z.S.		Otago and Canterbury.
27. "Victory"	2,848				Otago and Canterbury.
Nov. 4. "British King"	3,559		N.Z.S.		Wellington and Canterbury.
					Wellington and Canterbury.
26. "Bombay"	3,133		S.S.A.	,	Otago, Canterbury, and Wel-
					lington.
Dec. 13. "Dorie"					Auckland and Canterbury.
28. "British Queen"	3,558		N.Z.S.		Otago and Canterbury.
Jan. 10. "Florida"	3,138		S.S.A.		Wellington and Otago.

Now here are more than 30,000 tons of steam shipping, and only one ship, "Doric," for Auckland; the New Zealand Shipping Company have not yet decided whether they will take emigrants by her, while neither the "Tongariro" nor the "Aorangi" have been able to take any Government emigrants at all. When emigrants for the "Aorangi" were declined, the Otago and Canterbury people who were ready for her had to be given to the "Bombay." It would have been

preposterous (except on the condition of a strict monopoly to one company) to have either kept the people waiting more than a month for the "British Queen" and lost the harvest, or forced them to go in a sailing ship and lost the harvest all the same. No cast-iron arrangement would ever work smoothly, success is only possible by forbearance on the part of all concerned, and a willingness to make the best of each trouble as it arises.

The attention of the companies is requested to the last two resolutions of the Joint Committee, and the Agent-General will be glad if they would let him know how far it would be in their power

to give effect to the recommendations of the Committee.

With regard to the conditions of tender which were published by the Agent-General at the beginning of this year, he recognizes that in a merely temporary arrangement it would not be reasonable to expect, for every detail, the same stringent stipulations as in a subsidized service. While, therefore, there are many of those conditions which he could not properly dispense with, he is ready to confer with the companies on the subject and meet their views as far as he can.

It is needless, of course, to point out that this minute proceeds on the assumption of the same rate per statute adult being now offered by both companies for the same class of steamer but this may not turn out to be the case. At the time the Joint Committee were sitting the proposed contract rate with the New Zealand Shipping Company was £16, while the Shaw-Savill-Albion Company's offer was £13 10s. Neither of those prices having been finally accepted then, it will be for the companies to make their own proposals for a rate, having due regard to the second resolution of the Joint Committee, and to the assimilation, if possible, of the dietaries of Government emigrants and paying steerage passengers.

With regard to Government freight, the Agent-General hardly thinks it would be desirable to fix definite rates in a merely temporary arrangement, as the varying requirements of ordinary mercantile cargo would be best met for the next few months by settling Government rates as occasion arose. At the same time he is ready to consider any proposal or suggestion the companies may make, if they prefer rates being fixed now.

So far, the Agent-General has only dealt with points which must be settled even for a scheme not extending beyond June, 1884. But the experience of the last twelve months has given very different means of calculation from those which were at the command of either the Government or the companies when tenders were invited for a service. Events have proved the truth of the prediction that if direct steam were once really started a number of paying passengers would be attracted by it. There is, in fact, a natural current of emigration always flowing from the United Kingdom towards outlets that are served by steam, and it was never doubtful that, if a line of direct steamers existed to New Zealand, some of the current would soon flow that way The extension of the colony's trade, and a steady growth in the number of paying passengers, have passed out of the region of mere speculation it is all the more necessary, then, to make provision in time for a development that is sure to come, and the Agent-General would be very glad if the companies could see their way to making alternative proposals to the Government of a more permanent kind than the one which is the immediate occasion of this minute. It is amply evident that neither of the companies mean to be driven out of the trade, but that on the contrary both are determined to maintain independent lines of first-class steamers. The manifest interest, therefore, of the colony lies in preserving a healthy competition between them, but that interest would not be served by a kind of competition which, if disastrous to those embarked in it, would threaten the permanency of the enterprise itself. The Government business is but a small part of the volume of trade, and is of course destined to bear a less and less proportion to that volume but it is an appreciable item in these early days of direct steam, and ought to be so arranged as to encourage as many first-class steamers as the trade will support. The colony hopes for the friendly co-operation of both companies, not in makeshifts only for the moment, but in proposals wherein the General Assembly may see the assurance of a really permanent service, and of a just recompense to the enterprise of those who founded it.

Westminster Chambers, 6th November, 1883.

No. 20.

The AGENT-GENERAL to the Hon. the POSTMASTER-GENERAL.

7, Westminster Chambers, London, S,W., 8th November, 1883. I observe that, in the debate which took place in the House of Representatives when the Sir.report of the Joint Committee on the Direct Steam Service was brought up, the recommendation of the Committee respecting unsinkable ships was received with some derision. But the question of building such ships has been seriously considered in this country, as will be seen by the following extract from a paper on the Mercantile Marine of England, which appeared a few days ago in the "Contemporary Review," by Sir Edward Reed, M.P., who (as you are aware) is a famous authority on shipbuilding. "I am satisfied," says Sir Edward Reed, "that it is possible, and compatible with every reasonable commercial requirement, to construct iron and steel steamers of an unsinkable type—unsinkable, that is, by all but the most extreme accidents, and certainly unsinkable by causes which are now continually sending fine and costly ships to the bottom. But this result must be brought about by much longitudinal as well as tranverse subdivision, and by the resort to watertight decks, communicated with from above by watertight trunks, to an extent scarcely yet thought of. Nothing would tend more to enlarge ocean traffic, and to enable it to compare and compete with land traffic on more equal conditions than at present, than the general resort to unsinkable ships.

I have called Sir Edward Reed's attention to Mr Isbister's scheme of a "sectional ship," which the Government lately sent me at the request of Mr Macandrew, M.H.R., because its design

of dividing a ship by a wall of steel forming an entire longitudinal section meets the requirement specially insisted on by Sir Edward in his paper, and if he thinks fit to express any opinion on the design I will take care to let you know In the meanwhile I am calling the attention of the two

shipping companies to Sir Edward's remarks.

So far, however as regards the resolution of the Joint Committee that "preference should be given to unsinkable ships" in making the temporary arrangements contemplated for the immigration service until next session, I can hardly think there is any chance of their recommendation being capable of being carried out. During the few months that will elapse before the General Assembly reconsiders the steam question we must be content to accept the ships already built by the New Zealand Shipping Company, and those chartered by themselves and the Shawn-Savill-Albion Company Whenever the Assembly shall think the time slave come for taking more described by the statement of the Albion Company Whenever the Assembly shall think the time has come for taking more permanent steps in relation to the steam service, and for exercising a real control over the ships built for the service, such precautions as those desired by the Committee and now raised by Sir Edward Reed's paper can be enforced as they ought to be. I have, &c.,

The Hon. the Postmaster-General, Wellington.

F. D. Bell.

No. 21.

The AGENT-GENERAL to the Hon. the Minister of Immigration

7, Westminster Chambers, London, S.W., 30th November, 1883. Str. I have the honour to acknowledge the receipt of your letter of the 6th October (No. 188), containing your instructions upon the direct steam dervice, and the steps to be taken by me with regard to the Government immigrants and freight.

I received these instructions with all the more satisfaction because it seemed to me that I had anticipated their purport more or less in the minute which I addressed to the two shipping companies, as reported in my letter of the 8th instant (No. 318). I hope that when you receive that

minute it will also seem to you that I had anticipated your wishes as far as I could.

I have waited since, day after day, in the hope that the companies would come to terms between themselves for the short period that will elapse before Parliament meets; they have had several conferences, and various proposals have been made from one side and the other. But, so far as I can see up to the moment I am writing, I think we must give up all hope of any agreement between them, and the most difficult part of my task therefore yet remains for me to face.

The Hon. the Minister of Immigration, Wellington.

I have, &c., F. D. Bell.

No. 22.

The AGENT-GENERAL to the Hon. the MINISTER of IMMIGRATION

Sir,— 7, Westminster Chambers, London, S.W., 4th December, 1883.

I have the honour to acknowledge the receipt of your letter of the 6th October (No. 189), transmitting photographic plans of the ship alluded to in the resolution of the general Committee on the Direct Steam Service.

Before the receipt of that letter my attention had been directed, as stated in my letter to the Postmaster-General of the 8th November (No. 326), to Sir Edward Reed's opinion on unsinkable ships, and a few days after writing to you, I addressed Sir Edward Reed, sending him Mr. Isbister's design for his consideration. To that letter I received an interesting reply from Sir Edward Reed, in which he said he was ready to stake his reputation upon the perfect practicability of designing and building a New Zealand line of steamers which should be exempt from perils on the ocean by collision or stress of weather, and that he was, therefore, of opinion that the recommendation of the Joint Committee was not only reasonable in itself, but if acted upon would confer great advantages upon the colonial world, inasmuch as any such example of the adoption of unsinkable ships would necessarily be largely followed in future. It was immediately after getting this letter from Sir Edward Reed that I received yours enclosing the drawings of Mr Isbister's ship, and I sent them on to Sir Edward Reed, who has returned me, in reply, the valuable opinion and suggestions which are contained in his letter of the 29th November

You will observe that Sir Edward Reed expresses his willingness to make a design of a ship of the class contemplated by the Joint Committee. If, therefore, the Government should be of opinion that it would be advisable to take advantage of Sir Edward's offer, perhaps you will be pleased to transmit to me the cypher "design" by cable.

The Hon. the Minister of Immigration, Wellington.

F D. Bell.

Enclosure 1 in No. 22.

The Agent-General to Sir E. J Reed.

7, Westminster Chambers, Victoria Street, S.W., 13th November, 1883. Sir,-I venture to bring the following matter under your consideration. On reading your striking article in this month's "Contemporary" on the Mercantile Marine of England, a passage in it referring to unsinkable ships reminded me of a scheme which was proposed some time ago by a shipbuilder at Dunedin, in New Zealand, for a vessel of that kind, and of a short explanation of his design, which I ask permission to enclose, in case you should think it worth your while to While the New Zealand Parliament was in session lately a Joint Committee of both Houses sat to consider certain proposals for a direct steam service between this country and the

colony, and came to a resolution recommending the Government to give a preference to unsinkable ships. Upon the report being presented, this recommendation was received with a good deal of derision, but I am calling the attention of my Government to your article, and pointing out that the matter is not one for derision when you attach so much importance to it, and when you predict that the "unsinkable ship" is a thing that will have to be built very soon.

I have, &c.,

Sir Edward J Reed, M.P

F. D. Bell.

Enclosure 2 in No. 22.

Sir E J REED to the AGENT-GENERAL.

Broadway Chambers, Westminster, London, S.W.,

DEAR SIR FRANCIS BELL,

20th November, 1883.

Absence from England has prevented me from acknowledging earlier your favour of the

13th instant, which I find to be most interesting.

I have read through the pamphlet on Mr Isbister's sectional ships, and, although I do not fully understand his details, I hold them to be correct enough so far as I do understand them. competition between shipowners has vastly more to do with the sinkability of ships as now built than any difficulty in designing and building unsinkable ships, and I am quite ready to stake any professional reputation which I may have upon the perfect practicability of designing and building a New Zealand line of steamers which should be exempt from loss on the ocean by collision or stress of weather I am therefore of opinion that the recommendation of the Joint Committee of both Houses of the New Zealand Parliament was not only reasonable, but, if acted upon, would confer great advantages upon the colonial world, for any such example of the adoption of unsinkable ships would necessarily be largely followed in the future. I need hardly say that, if at any time I can be of service to your Government or yourself in this momentous matter, I shall be proud and happy to I have, &c., E. J REED.

Sir F D. Bell, K.C.M.G, Agent-General for New Zealand.

Enclosure 3 in No. 22.

The AGENT-GENERAL to Sir E J REED.

7, Westminster Chambers, London, S.W.,

DEAR SIR EDWARD REED,-

21st November, 1883. I have to acknowledge, with many thanks, your letter of yesterday in answer to mine of the 13th on the question of unsinkable ships. Since I wrote to you I have received from the colony some drawings of Mr. Isbister's sectional ship; and I am encouraged, after what you say to me, to submit these drawings for your inspection. If you should be able to spare any time to looking over them, and would let me know what you think of the design, I should be under a fresh obligation to you. I have, &c.,

Sir Edward J Reed, K.C.B., M.P.

F D. BELL.

Enclosure 4 in No. 22.

Sir E. J REED to the AGENT-GENERAL.

Broadway Chambers, Westminster, London, S.W.,

29th November, 1883.

I am obliged by your favour of the 21st instant, together with the drawings of Mr Isbister's

sectional ship.

I have carefully examined these drawings, which, as I anticipated from the perusal of the pamphlet, are very ingenious, but the designer is evidently not sufficiently acquainted with the construction of modern iron and steel merchant-ships. The longitudinal view of the vessel shows her to be 260 feet long and 44 feet broad, and divided throughout her length into five compartments by four transverse watertight bulkheads, and a middle-line bulkhead is worked, which further

subdivides her into a total of ten watertight compartments, the bulkheads being carried, as they should be, to the height of the upper deck. I do not think, however, that the number of transverse watertight bulkheads is sufficient, and what is known as a collision bulkhead should certainly be

With regard to the details of construction, there is a great deal of superfluous material and work used, which adds both unnecessary weight and cost to the vessel. For example, I notice that each transverse frame is bracketed at the middle-line bulkhead on either side of it, both at the keel and at each deck, as well as at each side of the vessel, above and below each beam. This is quite unnecessary, and if each beam were connected to the transverse frame and bulkhead by means of the ordinary beam-arm it would be quite sufficient, and any further additional strength that might

be required could be obtained by means of deep frames worked every 20 or 24 feet apart.

No reverse frames appear, from the drawings, to be worked, and the keel arrangements are both complicated and unsatisfactory There is no reason why, in a vessel built with a longitudinal vertical middle-line bulkhead, that the ordinary keel arrangements should be departed from, and the transverse frames and floors worked continuously across the keel with intercostal vertical keel plates worked between them, and a sufficient lap left above the top of the floor-plates to connect the middle-line bulkhead plates with the vertical keel, or this arrangement may be varied by having

3—D 4.

the vertical-keel plate continuous and scored over the continuous transverse frames. This system of construction could well be applied to the vessel shown on Mr Isbister's drawings, but it would be preferable to work a double-bottom, and this is usual in recent practice. This double-bottom is of great service, both for using water-ballast, and for further subdividing the bottom of the vessel into watertight compartments by means of watertight frames worked about 20 feet apart, and adds largely to her safety in the event of grounding, &c. There appears to be a great want of longitudinal strength, which should be obtained by means of side keelsons, stringers, &c., which should run continuously through the watertight transverse bulkheads, and the watertightness completed by means of collars, angle-irons, &c. Diagonal tie-plates, or binders, as they are called by Mr Isbister, are very good for connecting the frames, &c., together, but sufficient longitudinal strength to the structure is not derived from them.

In short, it appears to me that Mr Isbister has set before himself some objects which are altogether distinct from unsinkability, and which, in so far as they add weight which is not necessary, are of course adverse to the unsinkable quality I do not understand why this is so. I am strongly of opinion that no such radical change in the construction of iron or steel ships a Mr. Isbister proposes is at all necessary or desirable as a means of making a ship unsinkable; all that is needed is to greatly increase the amount of subdivision in the ordinary type of ship (with some modifications of form), great care and judgment being exercised in order to secure the subdivision without undue interference with the passenger and cargo accommodation. I need hardly say, if desired, I should be happy to give effect to these views in a design.

Sir F D. Bell, K.C.M.G., Agent-General for New Zealand.

I have, &c.,

E. J Reed.

desired, I should be happy to give effect to these views in a design.
Sir F D. Bell, K.C.M.G., Agent-General for New Zealand.

No. 23.

The AGENT-GENERAL to the Hon. the Minister of Immigration.

7, Westminster Chambers, London, S.W., 5th December 1883. In continuation of my letter of 30th November (No. 348), I have to state that the two SIR. shipping companies have not been able to come to any agreement upon proposals to be made by them in concert, either for a temporary continuance of the steam service until the meeting of the General Assembly, or for more permanent arrangements afterwards. But they have intimated to me their desire to be allowed to continue the arrangements now existing between themselves and me relating to Government immigrants and freight. There will, accordingly, be no difficulty in continuing to carry on these arrangements temporarily, and you will have ample time to reconsider the whole question before any new proposals are made to the Government by either of the companies prior to the meeting of Parliament. I enclose copies of the correspondence with the companies.

I referred in my letter of the 8th November (No. 318) to the trouble that is occasioned by the circumstance that the interest of the shipping companies in deciding whether to make sure of the Government immigrants first, or wait to see what paying passengers they can get, can never be the same as the colony's, and I am bound to tell you that this difficulty may be expected to continue to exist, and, indeed, is not likely to be ever entirely escaped. For instance, in the case of the steamship "Doric," I asked the New Zealand Shipping Company on the 23rd October whether they would take immigrants by her, but it was not until the 19th November that the matter was finally settled in the negative, and embarkation orders could be issued for the sailing-ship "Rangitikei," instead of the steamer In the meanwhile the immigrants, who had been for some time ready to go, had become more and more impatient, and their disappointment was very great when they found that their hope of being sent in a steamer had vanished, and that they were relegated to a sailing-ship. The same difficulty may become aggravated if the stream of paying passengers should continue to fill the New Zealand Shipping Company's monthly steamers to the same extent as the "Tongariro" and the "Aorangi" were filled, but I have no doubt we shall be able to meet the trouble if it occurs, as we have had to do before.

I take this opportunity of saying that I understand the two companies have not been able to I referred in my letter of the 8th November (No. 318) to the trouble that is occasioned by the

I take this opportunity of saying that I understand the two companies have not been able to act in concert about the rates for produce to come Home. One of the companies was, I am told, dissatisfied with the arrangements which the New Zealand agents of both had made for the rates of the coming season, and thereupon a proposal was made that the companies should agree, in London, upon rates superseding those fixed by the agents in the colony. When, however, these higher rates were telegraphed to the respective agents, it was found that they would not be given, whereupon the two companies fell out once more. This seems to me to confirm what I have so frequently pointed out, that it is exactly the existence of a competition of the kind I am referring to which secures the producers in the colony against unduly high rates for their produce Home, and, therefore, although the quarrel which has just happened about the rates complicates the relations between the companies, and helps to keep them apart from any general proposals to the Government, I feel strengthened by it in the antagonism I have so long expressed against a

monopoly being given to either of them for the Government business.

With regard to the rate of passage-money, I have already, as you are aware, expressed my own opinion that it would not pay the Government to give any higher price than £15 for bringing out immigrants by steam. If a higher price were asked for a permanent contract it would be far better to pay its amount as a direct subsidy, and with the full control which a contract alone can give, rather than pay the same amount of subsidy in an indirect shape. I was therefore very glad to receive your instructions that the cost per head was not to exceed that which had obtained in recent shipments by steamers. In reference to the discretion which the Government were pleased to give me as to whether I should insist on a lower rate than £15, I beg to say that, all things

being considered, I think it would not be wise to ask for a lower rate. I have therefore intimated to the companies, informally, that the arrangements between now and June will continue to id June I have, &c., F D. Bell. be based upon the £15 rate as heretofore.

The Hon. the Minister of Immigration, Wellington.

Enclosure 1 in No. 23.

Mr. Chas. Ritchie to the Agent-General for New Zealand.

Shaw-Savill-Albion Company (Limited),

Dear Sir,—

34, Leadenhall Street, London, E.C., 4th December, 1883.

I have to express regret that your minute of the 6th ultimo, for the consideration of the New Zealand Shipping Company and Shaw-Savill-Albion Company, on the conveyance of Government and Shaw-Savill-Albion Company and Shaw

ment emigrants and freight, has not had an earlier reply from this company

The board of directors gave their full consideration to the matters which formed the subject of the minute immediately on its receipt, and, desiring to respond favourably to the invitation given to the New Zealand Shipping Company and Shaw-Savill-Albion Company to make proposals through you to the New Zealand Government for a more permanent service than that stated in the resolution of the Joint Committee of both Houses at Wellington, my co-directors deputed me to request a conference with Mr Coster, in the hope of being able to arrive at a satisfactory arrangement of the New Zealand Shipping Company and Shaw-Savill-Albion Company to make proposals through you to the New Zealand Government for a more permanent service than that stated in the resolution of the New Zealand Government for a more permanent service than that stated in the resolution of the New Zealand Government for a more permanent service than that stated in the resolution of the New Zealand Government for a more permanent service than that stated in the resolution of the New Zealand Government for a more permanent service than that stated in the resolution of the Joint Committee of both Houses at Wellington, my co-directors deputed me to request a conference with Mr Coster, in the hope of being able to arrive at a satisfactory arrangement service than that stated in the resolution of the Joint Committee of both Houses at Wellington, my co-directors deputed me to request a conference with Mr Coster, in the hope of being able to arrive at a satisfactory arrangement service than the service ment with the New Zealand Shipping Company for submitting proposals to you towards securing an object which appeared to us very desirable in the interests of both companies.

After some delay awaiting the convenience of Mr Coster an opportunity was afforded me of laying before him the views of the Shaw-Savill-Albion Company directors on this matter, their wish being to learn his views and readiness to meet these as far as possible, in the desire to bring about an arrangement between the two companies necessary to secure the object to which the minute invited our attention. But I failed then, and at a subsequent meeting, to induce Mr Coster to enter upon negotiations for such an arrangement, succeeding only in eliciting from him his intention to intimate to you that the New Zealand Shipping Company is prepared to continue till June next the conditions upon which Government passengers and freight have been conveyed by the respective

companies during the past year

Being thus frustrated in their endeavour to carry out your desire, as expressed in the minute, that the companies could see their way to making alternative proposals to the Government of a more permanent kind than the one which is the immediate cause of this minute, the directors of the Shaw-Savill-Albion Company have had to limit their subsequent consideration to the matter of the temporary service, and, in their desire to avoid any action which could be construed by the New Zealand Shipping Company as antagonistic in relation to the course Mr Coster indicated his intention to adopt in reference to the minute, they have decided to accept on behalf of this company until next session of the General Assembly, a continuance of the present position of the Government service as between the two companies, though the conditions of this service, in giving to the New Zealand Shipping Company the option of taking or refusing Government emigrants by their monthly steamer dependent upon what number of paying passengers they can obtain, as well as on the other points, are, as stated in the minute, manifestly to the advantage of that company compared with the apportionment of Government work which had previously existed for a period of years. We shall, as during this year, be ready to meet your requirements for tonnage, though the short notice of such which the indecision of the New Zealand Shipping Company frequently necessitates your giving us brings to us not only inconvenience but sometimes loss, as we have never hesitated at once to respond fully to your requirements whatever loss in paying passengers consequently shut out, this may involve to us.

Before the expiration of this temporary service, this company will be in a position to approach the Government of New Zealand with reference to a contract for a fast monthly service of a per-

manent character by large and powerful steamers.

I have, &c., CHAS. RITCHIE,

Chairman.

The Agent-General for New Zealand, 7, Westminster Chambers.

Enclosure 2 in No. 23.

THE MANAGING DIRECTOR, N.Z. Shipping Company, to the AGENT-GENERAL.

N.Z. Shipping Company (Limited), 138, Leadenhall Street, London, S.E., 4th December, 1883.

Sir,-Having reference to the minute which you were pleased to address for the consideration of this company and the Shaw-Savill-Albion Company (Limited) under date the 6th ultimo Without at the present time discussing the matter of that document, with much of which we are not in accord, I have the honour to inform you that, in the existing position of matters, and of the respective companies as regards steam, this company fails to see the utility of your proposal that it should at this inneture, make a joint offer with the Shaw-Savill-Albion Company for the that it should, at this juncture, make a joint offer with the Shaw-Savill-Albion Company for the carriage of the Government emigrants and cargo. We are, however, prepared for the present to continue the arrangements under which we have worked with your department during the past few months and since the establishment of our monthly direct steam line.

I have, &c., J L. Coster, Chairman and Managing Director.

The Agent-General for New Zealand.

Enclosure 3 in No. 23.

The AGENT-GENERAL to the CHAIRMAN, Shaw-Savill-Albion Company

7, Westminster Chambers, London, S.W., 5th December, 1883. I have the honour to acknowledge the receipt of your letter of yesterday, in which you inform me that, under the circumstances mentioned by you, and not having been able to induce the New Zealand Shipping Company to enter into an arrangement between the two companies, you are prepared to accept, until the next session of the General Assembly, a continuance of the present position of the Government service as between the two companies.

I have received a communication to the same effect from the New Zealand Shipping Company I think that, having regard to the different views of the question apparently taken by the two companies, the decision to which they have independently come is the best, and it will give me pleasure to continue the existing arrangements accordingly until the next session.

I entirely recognize the correctness of your statement that your company have never hesitated to meet my requirements in the past, and I feel sure that similar good relations between this office and yours will be maintained in the future. I have, &c.,

The Chairman, Shaw-Savill-Albion Company

F D. Bell.

Enclosure 4 in No. 23.

The AGENT-GENERAL to the CHAIRMAN, New Zealand Shipping Company

7, Westminster Chambers, London, S.W., 5th December, 1883. SIR,-I have the honour to acknowledge the receipt of your letter of yesterday's date, informing me that the New Zealand Shipping Company are prepared to continue, for the present, the arrangement relating to Government emigrants and freight under which you have worked with my department during the past few months and since the establishment of your monthly direct

I have received a communication to the same effect from the Shaw-Savill-Albion Company I think that, under all the circumstances, and having regard to the different views of the question apparently taken by the two companies, the decision to which they have independently come is the best, and it will give me pleasure to continue the existing arrangements accordingly until the next session of the General Assembly

I am glad to recognize the friendly relations under which the Government shipping business has been carried on between this office and yours in the past, and feel sure that they will be

maintained in the future. I have, &c.,

The Chairman, New Zealand Shipping Company

F D. Bell.

No. 24.

The Hon. the Minister of Immigration to the Agent-General.

Immigration Department, Wellington, 6th December, 1883. Str.-The accompanying copy of a communication which has been received from the Secretary of the New Zealand Shipping Company, relative to a cable-message published in the colonial newspapers as to the division of the trade to the colony between the New Zealand Shipping Company and the Shaw-Savill-Albion Company, is forwarded for the information of the Agent-General. A or the
I have, &c.,
W Rolleston,
Ministe copy of the reply is also attached.

The Agent-General for New Zealand, London.

Minister of Immigration,

Enclosure 1 in No. 24.

The Secretary, N.Z Shipping Company to the Under-Secretary, Immigration Department, Wellington.

N.Z. Shipping Company (Limited), Christchurch, 27th November, 1883. I am instructed by the board of directors of this company to direct your attention to the following cable-message to the Press Association, which appeared in the Christchurch newspapers on the 24th instant "London, 22nd November.—Sir Francis Dillon Bell suggests that the New Zealand Shipping and Shaw-Savill-Albion Companies should continue the existing division of trade to the colony until next session of Parliament," and to respectfully ask you for an explanation of the colony until next session of Parliament, and to respectfully ask you for an explanation of the colony until next session of Parliament, and to respectfully ask you for an explanation of the colony until next session of Parliament, and to respectfully ask you for an explanation of the colony until next session of Parliament, and to respectfully ask you for an explanation of the colony until next session of Parliament, and to respect the colony until next session of Parliament, and the Christian of th ation of that communication, which, it appears to us, does not accord with the terms of the resolution contained in the report of the Select Committee appointed last session to consider the question of a direct steam service, and which report was adopted by Parliament.

I have, &c.,

ISAAC GIBBS,

H. J H. Eliott, Esq., Under-Secretary, Immigration Department, Wellington.

Secretary

Enclosure 2 in No 24.

The Under-Secretary, Immigration Department, Wellington, to the Secretary, New Zealand Shipping Company

Immigration Office, Wellington, 6th December, 1883. I have the honour, by direction of Mr Rolleston, to acknowledge the receipt of your letter of the 27th ultimo, directing my attention to a cable message which had appeared in the

Christchurch newspapers on the 24th November, to the effect that the Agent-General had suggested that the New Zealand Shipping and Shaw-Savill-Albion Companies should continue the existing division of trade to the colony until the next session of Parliament, and requesting an explanation of the communication.

In reply I am to state that the Government are unable to afford any explanation of the I have, &c., H. J H. ELIOTT, paragraph in question.

Under-Secretary.

Isaac Gibbs, Esq., Secretary, N.Z. Shipping Company, (Limited), Christchurch.

No. 25

The Hon, the Minister of Immigration to the Agent-General.

Immigration Office, Wellington, 6th December, 1883.

I have the honour to acknowledge the receipt of your letter of the 1st October (No. 279), Sir,transmitting a report by the Secretary to the Agent-General's Department upon a paragraph which appeared in a colonial newspaper commenting on the course taken by the officers of that department with respect to affording information to intending passengers about the vessels of the New Zealand Shipping Company and the Shaw-Savill-Albion Company and requesting that the report may be published in the same journals in which the paragraph appeared. In reply I have to state that, in compliance with your request, Mr Kennaway's statement will be furnished to the newspapers.

I have, &c.,

The Agent-General for New Zealand, London.

Rolleston, Minister of Immigration.

No. 26.

The Hon. the Minister of Immigration to the Agent-General.

Immigration Office, Wellington, 7th December, 1883. Sir,-I have the honour to acknowledge the receipt of your letter of the 30th September (No. 275), in which you state that you would defer submitting the views which had been gradually forming in your mind with reference to immigration questions generally until you receive my despatches by the "Catalonia." In reply I have to state that I hope, on receipt of my letter of the 6th October, you will have forwarded the report, which, I understand from your letter of the 26th July, was all but completed at that date. This report will, I have no doubt, be of material assistance in determining the course which will best give effect to the wishes of Parliament.

I have, &c.,
W ROLLESTON,

The Agent-General for New Zealand, London.

Minister of Immigration.

No. 27

The AGENT-GENERAL to the Hon. the Minister of Immigration

7, Westminster Chambers, London, S.W., 14th December, 1883. Since I wrote to you on the 5th instant (No. 364), informing you that the two shipping companies had respectively informed me of their desire to continue, until the next meeting of Parliament, the arrangements now in existence for the conveyance of Government immigrants and freight, an event has occurred which may materially affect the questions which the Assembly will have to consider

During the interval which elapsed after the companies had received my minute of 6th November, several attempts had been made to come to some agreement for the division of the Government business, but in the end the differences between them appear to have been too great to be reconciled. Hardly had they communicated to me their final intentions when the Shaw-Savill-Albion Company took a forward step which greatly changed the relations of the two companies to each other. It seems that the steamers "Doric" and 'Ionic," which had been for some time under charter to the New Zealand Shipping Company, were to become free from that charter early in 1884, and the Shaw-Savill-Albion Company entered into an agreement with the owner of those vessels to transfer them and their sister ship the "Coptic" to the Albion. line. The outcome, therefore, of the differences between the companies is that a fortnightly line of powerful steamers of 4,500 to 5,000 tons will soon be definitely established.

or powerful steamers of 4,000 to 5,000 tons will soon be definitely established.

The following steamers are now either running or being built, viz.: (1.) The New Zealand Shipping Company's line—1. "Tongariro," 4,300 tons, 2. "Aorangi," 4,600 tons 3. "Ruapehu, 4,700 tons, 4. Unnamed (building) 4,500 tons, 5. Unnamed (building) 4,500 tons 6. British King," 3,559 tons, 7 "British Queen," 3,558 tons, 8. "Fenstanton," 2,465 tons. (2.) Shaw-Savill-Albion line—9. "Tainui" (building) 5,250 tons, 10. "Arawa" (building), 5,250 tons 11. "Doric," 4,744 tons, 12. "Ionic," 4,753 tons, 13. "Coptic," 4,367 tons, 14. Bombay, 3,133 tons, 15. "Florida," 3,138 tons 16. "Tenasserin," 2,693 tons; 17 "Victory" 2,848 tons being, in all, seventeen steamers, aggregating together 67,828 tons.

I assume that it will not be the intention of the companies to retain permanently in the trade

I assume that it will not be the intention of the companies to retain permanently in the trade several of the smaller steamers enumerated in this list, but, whether this is the case or not, it is certain that at least ten first-class powerful steamers will be running to New Zealand before the expiration of another year

How great a change this is when compared with the state of things which existed when I wrote my long despatch to you only eighteen months ago it is unnecessary to point out. Whether so sudden a development of steam can take place at a profit remains to be seen, but I may venture to say that I think it justifies the course which I have so steadily advised of preserving a healthy competition between the two companies and giving a monopoly to neither. I understand that it is the intention of both the companies to run their large steamers at a high speed, and to aim at a regular fortnightly service. The "Tongariro," indeed, has just made a splendid run of a little over forty days' steaming. This means, of course, a consumption of coal which it will take a large trade to pay for, and, moreover, while there was little difficulty in filling at short intervals sailing ships of from 1,000 to 2,000 tons, it will be a very different thing to fill steamers of 5,000 tons every fortnight.

I have, &c.,

The Hon. the Minister of Immigration, Wellington.

F D. Bell.

No. 28.

The AGENT-GENERAL to the Hon. the Minister of Immigration

Sir,—
The New Zealand Shipping Company suddenly advertised their steamer "Ruapehu" to call in at Hobart. As she is to carry a number of immigrants, I required the company to give me an undertaking that, if any immigrant left the ship while in a Tasmanian port, the half passagemoney paid here should be returned.

The Shaw-Savill-Albion Company immediately followed suit, and proposed to let their steamers call at Hobart, too. I imposed the like condition in their case, if their steamers should have immi-

grants on board.

I shall be glad if you will let me know whether you would have any objection, subject to the condition in question, against steamers with Government immigrants calling at Hobart at all.

I have, &c.,

The Hon, the Minister of Immigration, Wellington.

F. D. Bell

No. 29

The Hon. the Minister of Immigration to the Agent-General.

Sir,—
I have the honour to acknowledge the receipt of your letter of the 8th November (No. 318), transmitting the minute you had prepared for the consideration of the New Zealand Shipping Company and Shaw-Savill-Albion Company on the subject of temporary arrangements to be made for the conveyance of Government emigrants and freight during the period extending from the present time to the next session of Parliament.

My letter of the 6th October will have placed you in possession of the views of the Government as to the course to be taken in giving effect to the resolution of the Joint Committee of both

Houses of the Assembly

I have little doubt that the difficulties which appear to beset the question will largely disappear

in practical administration.

I shall address you by the next mail as to the numbers that the funds at the disposal of the Government for emigration purposes will enable you to despatch in future. In the meantime it will be desirable to confine the assistance given to nominated immigrants only, and so to arrange the time of their arrival that the expenditure of those funds shall be distributed over the period of three years contemplated by Parliament more evenly than at present. At the same time it will, I think, be found that these numbers will not hereafter be greater than can be accommodated by the steamers.

I have, &c.,

W ROLLESTON,

The Agent-General for New Zealand, London.

Minister of Immigration,

No. 30.

The Hon. the Minister of Immigration to the Agent-General.

Sir,—

With reference to your letter of the 30th November (No. 348), which I received by the steamer "Aorangi," I now forward for your information copies of the under-mentioned correspondence with the New Zealand Shipping Company viz. (1.) Mr H. P Murray-Aynsley to Minister of Immigration, dated 18th January, enclosing two. (2.) Cable Messages from Chairman of New Zealand Shipping Company dated 9th and 12th January (3.) Minister of Immigration to Mr Murray-Aynsley, 1st February, 1884.

W Rolleston,

Minister of Immigration.

Enclosure in No. 30.

H. P Murray-Aynsley, Esq., to the Minister of Immigration

SIR,—

N.Z Shipping Company (Limited) Wellington, 18th January, 1884.

I have the honour to state, with reference to the interview you were good enough to grant to the directors of the New Zealand Shipping Company (Limited) to-day that we understood you to say that the Government had given no authority to the Agent-General to negotiate with the Shaw-Savill-Albion Company and the New Zealand Shipping Company for a joint alternate fort-

nightly steam service to and from the colony, the Agent-General having intimated that he is prepared to recommend the acceptance of an offer for such a service, with a subsidy of £30,000 per annum, and for a period of five years.

In accordance with your request, we now have the honour to enclose copy of two cablegrams we have received from the chairman of this company, which led us to ask for the interview to-day

I have, &c.

H. P MURRAY-AYNSLEY,

Deputy Chairman.

The Hon. the Minister of Immigration, Wellington.

Sub-Enclosure 1 in Enclosure in No. 30.

COPY of Cablegram from the Chairman of the New Zealand Shipping Company (Limited), dated London, 9th January, 1884.

AGENT-GENERAL for New Zealand and Shaw-Savill-Albion Company (Limited) pressing New Zealand Shipping Company make joint proposal New Zealand Government business, with subsidy per annum.

Sub-Enclosure 2 in Enclosure in No. 30.

COPY of Cablegram from the Chairman of the New Zealand Shipping Company (Limited), dated London, 12th January, 1884.

AGENT-GENERAL desires propound former emigration scheme, states will recommend contract for the period of five years, fortnightly alternate despatch, subsidy per annum, £30,000.

Sub-Enclosure 3 in Enclosure to No. 30.

The Hon. the Minister of Immigration to H. P. Murray-Aynsley, Esq.

Immigration Office, Wellington, 1st February, 1884. SIR. I have the honour to acknowledge the receipt of your letter of the 18th ultimo, forwarding me, in compliance with my request, copies of cablegram received by you from the chairman of the New Zealand Shipping Company (Limited), in London, as to proposals for a fortnightly steam service on the terms named therein.

As I informed you personally, the Government has no information, and has given no instruc-I have, &c.,
W Rolleston, tions of the nature indicated.

H. P Murray-Aynsley, Esq., Deputy-Chairman, N.Z. Shipping Company, Christchurch.

Minister of Immigration.

No. 31

The AGENT-GENERAL to the Hon. the MINISTER of IMMIGRATION.

7, Westminster Chambers, London, S.W., 23rd January, 1884. With reference to the Hon. the Minister's memorandum of 6th December last (No. 218), Sir.transmitting correspondence with the New Zealand Shipping Company respecting a Press telegram published at Christchurch on the subject of a supposed suggestion of mine relating to the division of trade between that company and the Shaw-Savill-Albion Company, I beg to say that I know nothing of the telegram in question. The Minister will have seen exactly, from the minute I sent to both companies on the 6th November last, what I proposed to the companies.

I have, &c., F D. Bell.

The Hon. the Minister of Immigration, Wellington.

No. 32.

The AGENT-GENERAL to the Hon. the MINISTER of IMMIGRATION

7, Westminster Chambers, London, S.W., 31st January, 1884. In many letters to yourself, as well as in the minute to the shipping companies of the 6th November last, I have referred to the difficulties which there must always be on the part of the November last, I have referred to the difficulties which there must always be on the part of the companies in deciding whether or not to take emigrants by particular steamers. I now transmit copies of memoranda by Mr Kennaway relating to the steamers "Ruapehu" and "Tongariro," from which you will see that, in the case of the "Ruapehu," the sudden decision of the shipping company to take a number of people, after some previous hesitation, necessitated the immigrants being summoned by telegram, at a cost of £6 12s., and that, in the case of the "Tongariro," the same indecision left us very uncertain what to do about summoning immigrants. A few days ago, the manager of the shipping company having stated that the "Tongariro" would take immigrants, ambaykation orders were got ready to go out next day, and it was not till three days after that the embarkation orders were got ready to go out next day, and it was not till three days after that the company finally decided to take no people in her at all.

I am not making any complaint whatever of the company on the contrary, I do not think, as you will have seen more than once from my letters, that the uncertainty will ever be avoided in high-class steamers like that company's. But, all the same, the existence of the difficulty, and the certainty of its frequent recurrence, naturally causes much embarrassment in the conduct of immi-I have, &c., F D. Bell. gration.

The Hon. the Minister of Immigration, Wellington.

Enclosure 1 in No. 32.

Memorandum re "Ruapehu."

THE Despatching Officer and myself frequently asked the New Zealand Shipping Company to inform us whether they could take emigrants by this steamer (starting on the 12th January), but it was not until the afternoon of the Saturday before Christmas Day when the clerks had all left the

office, that we were told that emigrants could go by her

It being Christmas-time, it was useless to take any steps until the day after Boxing Day (26th December); but the first thing on the morning of the 27th December telegrams were sent to all the people who were approved for passages to Auckland, offering them passages by the "Ruapehu." The number was, of course, limited, as in December the "Rangitikei" and "Northumberland" had embarked upwards of 450 for Auckland, but the steps taken by this office resulted in 132 souls, equal to 109½ statute adults, embarking by the "Ruapehu."

The cost of telegrams amounted to £6 12s.

W KENNAWAY

29th January, 1884.

Enclosure 2 in No. 32.

Memorandum re "Tongariro."

The Despatching Officer and myself frequently asked the shipping company to say whether they would take emigrants by this steamer On the 16th instant Mr Smith saw both Mr. Coster and Mr Strickland, and told them that if they wanted emigrants for her they must let us know without

Mr Strickiand, and told them that it they wanted enigrants for her they must let us know without delay. Mr Coster said that probably they would want emigrants for both the "Tongariro" (21st February) and the "British King" (13th March), but he would not decide then.

I saw Mr Strickland in my office on Friday, the 25th instant, and asked him again, and he said that they would take some, but, as they had not yet decided whether the steamer would go through the Suez Canal, he could not give me the date of embarkation. I then arranged with him to prepare embarkation orders at once, leaving date blank, and he promised to let me have the date next morning (Saturday), so that I could get out the orders on that day No communication came, however, on Saturday from the shipping company, and I wired down to them that orders were waiting for date, but had no reply On Monday morning a letter, dated on Saturday, came from Mr Strickland saying that he would let us have date as soon as Mr Coster came to town and in the afternoon of Monday a telegram came from the company saying that they had decided not to take emigrants by the "Tongariro."

W Kennaway.

30th January, 1884.

No. 33.

The Hon. the Premier to the Agent-General.

(Telegram.) SHIPPING Company Don't encourage idea subsidy Wellington, 4th March, 1884.

H. A. ATKINSON

No. 34.

The AGENT-GENERAL to the Hon. the Minister of Immigration

7, Westminster Chambers, London, S.W , 26th March, 1884. Sir.— I received in due course your telegram of the 4th instant, desiring me not to encourage the

idea of a subsidy being granted for a steam service. I need not say that these instructions will be idea of a subsidy being granted for a steam service. I need not say that these instructions will be obeyed, but I trust I may be permitted to express the hope that your message does not announce a final decision against any subsidy at all. At the same time I should like to add that I should certainly have submitted no recommendation to the Government for a subsidy which did not effectually guard against a combination afterwards between the shipping companies for the exaction of high rates in either passage-money or freight. Not that I should think it necessary to attempt binding the companies down to particular rates, they might well be left free to charge what rates they could get, but any subsidy that I would ever recommend would only be payable so what rates they could get, but any subsidy that I would ever recommend would only be payable so long as certain rates were charged, and would automatically cease if they were exceeded. It is, of course, a question whether it would be worth the while of the companies to go for a subsidy with

course, a question whether it would be worth the while of the companies to go for a subsidy with such a condition, but I should not, for my own part, have ever recommended a subsidy without it.

Let me illustrate what I am saying by a reference to the freight on frozen meat. The shipping companies have, even now, contracts to bring over this year a number of sheep whose total weight will not be much under 30,000,000 lb. This, at 2d. a pound, is a freight of £250,000. Is it supposed that the producers will go on paying that sum year by year? If the meat sells in London at, say, 6d. a pound, the freight is a third of the selling value, that is to say (not counting in the comparison the cost of engines and refrigerating chambers), it is as if the colony had to pay £1,000,000 for freight on its wool clip. If the companies were to continue receiving £250,000 a year for freight of frozen meat, it would not be likely that the colony would listen to a request for a subsidy besides.

The Hon. the Minister of Immigration, Wellington.

F D. Bell.

The Hon. the Minister of Immigration, Wellington.