

PROJECTED CANADIAN PACIFIC SERVICE.

(CORRESPONDENCE RESPECTING.)

No. 135.

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

Westminster Chambers, 13, Victoria Street, London, S.W.,

11th December, 1890.

SIR,—

It will be in your recollection that in all my negotiations with the Imperial Government for some years past relating to the San Francisco service, the alternative of a Vancouver line was steadily kept in view, in case Canada should grant a sufficient subsidy for it and the Imperial Government be willing to contribute: the condition being always insisted upon that any Vancouver service should make New Zealand the first port of arrival and last of departure in Australasian waters.

You will probably have seen in Press telegrams that the Canadian Government has been in treaty with a powerful syndicate here, at the head of which is Lord Hartington, for establishing a fast line of steamers across the Atlantic, at a subsidy of £100,000 a year for a five-years' term. The scheme is now, however, to comprise a Pacific as well as an Atlantic service, and the China-Japan service is to be supplemented by a line from Vancouver to Australia. Sir Charles Tupper, who has always acted in concert with me upon these questions, has exercised his powerful influence in favour of the condition of calling at New Zealand, and it is now apparently accepted. A proposal has been sent to Canada by Lord Hartington, that the Canadian subsidy should be increased from £100,000 a year for five years to £150,000 a year for ten years, in order to combine the Atlantic and Pacific services; and to this Sir John Macdonald has just confidentially cabled the consent of the Dominion. Sir Charles Tupper will ask the Agents-General to meet him with a view to united action for an adequate Imperial contribution, and it is possible therefore that you may hear by cable, even before receiving this letter, that an interview is to be held with the Imperial authorities on the subject; and you might be in a position to submit to the new Parliament the outline of a scheme for a Vancouver service in substitution for the temporary renewal of the San Francisco line. If meanwhile you could confidentially ascertain the views of the Australian Governments as to joining in the subsidy, and could also indicate the amount New Zealand might grant, it would be very material. The Vancouver service would be one performed by much faster and better steamers than those now serving the San Francisco line, and if the rate of speed insisted upon by Lord Hartington for the Pacific should be not much below that required for the Atlantic, the postal time to New Zealand would be appreciably reduced, while the postal time even to Australia would favourably compete with the Naples-Brindisi services.

This information is private, and I must beg that it may be treated as such until confirmed by cable.

I have, &c.,

The Hon. the Postmaster-General, Wellington.

F. D. BELL.

No. 136.

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

Westminster Chambers, 13, Victoria Street, London, S.W.,

24th December, 1890.

SIR,—

In continuation of my letter of the 11th instant, I beg to state that the meeting to which I then referred was held at the office of the High Commissioner for Canada on the 16th instant, when all the Australasian Agents-General met Sir Charles Tupper upon the question of the Vancouver service.

The discussion was, however, a fruitless one, as none of the Agents-General, except myself, felt justified in expressing any formal opinion, in the absence of instructions from their Governments; but, with the exception of Sir James Garrick, I understood it to be generally acknowledged that in order for any Vancouver service to be successful it must make New Zealand the first and last place of call. Since the meeting, however, I have received the enclosed prospectus of a company to be called "The Imperial Steam Navigation Company," to provide a fast Atlantic service of four twenty-knot steamers between this country and Canada, and a further service of three steamers of a speed of not less than sixteen knots between Vancouver and the Australasian Colonies. I understand that the promoters of the company have, after all, practically made up their minds to adhere to their original proposal of making Brisbane the first port of arrival in Australia; and I still think, as I have always done, that a scheme under those conditions will be found to be quite impracticable.

I have, &c.,

The Hon. the Postmaster-General, Wellington.

F. D. BELL.

Enclosure in No. 136.

MEMORANDUM.—THE IMPERIAL STEAM NAVIGATION COMPANY.

It is proposed to establish a company to be called "The Imperial Steam Navigation Company, Limited," to provide a fast Atlantic service of four twenty-knot twin-screw steamers between Great Britain and Canada, running from London, a port in France, and Plymouth to Halifax and Quebec,