

Tenderers are required to state the extent of accommodation they are prepared to supply for live-stock.

Tenderers are required to state the different amounts of subsidy required per voyage for either or both of the services.

Whenever possible, consistent with ordinary prudence, and before commencing to load at New Zealand ports, steamers are required to call at Westport for a full supply of bunker coal, at which port the steamers will be free of pilotage and all port charges, excepting light dues.

A tender and its acceptance are to be considered the establishment of a contract binding on both sides, the cardinal points are to be consistent with this advertisement, the tender, and the acceptance; should any dispute arise over minor points, the matter in dispute shall be referred to arbitration.

Deposit of £3,000 to accompany each tender.

Marked written tenders, to be addressed to the Secretary for Industries and Commerce, Wellington, or to the Agent-General, London, will be received up to the 30th instant. Telegraphic tenders will also be received up to the same date.

The lowest or any tender not necessarily accepted.

Wellington, 15th September, 1902.

T. E. DONNE,
Secretary, Industries and Commerce.

COPIES OF CORRESPONDENCE AND TENDERS RECEIVED.

Wellington, 6th October, 1903.

Tenders, Steam Service, New Zealand to South Africa.

HEREWITH I beg to hand you particulars of tenders received for the above service in response to the advertisement calling for same.

First: Received by the Agent-General from—

The Clan Line: £2,000 per voyage, without stating to what extent the steamers are insulated or when they are prepared to commence the service.

Furness, Withy, and Co.: £2,500 per voyage; accommodation for twenty saloon passengers; no steerage; would fit up for live-stock—no number mentioned; Government to pay light dues at Westport; could commence service at once; sureties, Furness and McArthur.

Federal and Houlder's renew tender already refused.

Sleigh: Renews his previous tender, with modification in the matter of speed to eleven knots; accommodation provided for a hundred live-stock; and to commence in six weeks from acceptance of tender.

These foregoing particulars are conveyed in the attached cablegrams from the Agent-General.

Second: Tenders received at this office and attached hereto: W. and A. McArthur and Co. (Limited), Sydney, and the New Zealand and African Steamship Company, Christchurch.

I have carefully reviewed the tenders, and the following is my report and recommendation:—

Clan Line: Tender is not satisfactory, because they have not complied with the conditions of the advertisement, not having stated the date on which they propose to commence the service nor what accommodation they are prepared to provide for the carriage of live-stock. Further, I have ascertained from the latest available copy of Lloyd's Register of Shipping that none of the Clan Line of steamers are insulated, which means that at least six months must elapse before the service can be commenced. This is a reasonable presumption based on the class of steamers owned by the line and the tenderers' failure to state a time when the service could be commenced.

Furness, Withy, and Co.: This tender is unsatisfactory inasmuch as they cannot supply any accommodation for steerage passengers. No extent of accommodation for the carriage of live-stock is guaranteed. Payment of light dues at Westport means an increase of subsidy by some £600 per annum. McArthur being named as a surety identifies this tender with the Gulf Line of steamers, which the Agent-General cables were previously offered by both Furness and Sleigh and rejected by the New Zealand Government as unsuitable.

Federal Company and Houlder's renew a tender which has already been refused.

Sleigh also renews his tender for a service at the rate of £30,000 per annum with a modification of the speed clause to eleven knots (originally thirteen knots), with accommodation for stock to the number of 100, and service to be commenced within six weeks. I cannot recommend any further negotiation with Mr. Sleigh owing to the trouble and delay caused by previous attempts to establish a contract with him.

W. and A. McArthur (Limited): I cannot recommend the acceptance of this tender for the following reasons: (1.) The passenger-accommodation clause is indefinite. (2.) No accommodation is guaranteed for the carriage of live-stock unless on conditions that steerage-passenger accommodation is eliminated from the contract. (3.) Despatch clause implies a guarantee of despatch on the part of the Government which cannot be entertained, and also I am quite satisfied McArthur and Co. propose to use the Gulf Line of steamers for the service, which have already been rejected as unsuitable.

The New Zealand and African Steamship Company's tender: I recommend the acceptance of either of the tenders from this company, but the alternative tender for preference. The steamers offered more than fulfil all the essential conditions of the advertisement as regards dimensions, passenger-accommodation, speed, accommodation for stock, refrigerated space, and position to commence the service. The alternative of terminating the contract without subsidy at the end of the first twelve months, if it is found that there is not sufficient trade to warrant the continuation