

17. Do you know how many vessels came out last year?—I should say there would be one every four weeks—perhaps more, one every three weeks.

18. Would it surprise you to know that there were thirty full-sized sailing-vessels came?—If they came separately from each place, in that case there might possibly be that number; but a Glasgow vessel does not go to Liverpool, neither does a Liverpool vessel go to Glasgow.

19. You are aware that there exists a close combination amongst the English shipping companies?—No, I am not aware of it.

20. Do you tell me that you, as a senior officer of your Department, do not know that?—Are you referring to London, or generally.

21. Both with regard to inward and outward cargo, it is all regulated under the combine?—I know that rates are arranged amongst the companies homeward, and, as far as I know, a similar arrangement may exist at Home.

22. You did not take the trouble to inquire? Have you not a general idea of the ramifications of these companies that act together and fix all conditions of carriage?—I know they subscribe to certain tariffs. They have a tariff from New Zealand to the United Kingdom and from the United Kingdom to New Zealand which, I understand, they all subscribe to.

23. With that knowledge of the combine, did it not occur to you that the interests of New Zealand were equal so far as the exports and imports are concerned, and that in entering into a contract with a company to carry goods in one direction only you were introducing a most disturbing element?—I do not think so. I think the Government are more interested in the freight to be paid on produce. The merchants are more capable of looking after themselves so far as importations are concerned. It seemed to me that the freight on produce to the west-coast ports of England was the line to go upon, and to give people an opportunity to ship their produce to those markets.

24. And you gave no indication that outward cargo was to be considered, despite its effect upon the freight of the produce of the colony on a round voyage?—I think the annual reports show that it was a service for the benefit of our producers to the west-coast ports that was considered to be necessary.

25. Are you aware that butter is paying a very exorbitant rate of freight under this combine? It is paying £7 a ton.

26. Is not that a very exorbitant rate—no other product pays such a price as that?—I think it is a high rate of freight.

27. Was it not the duty of your Department, if the Government were going to take a service up, to have stipulated for some reasonable butter-freight so as to get past this combine—even if the Government had to pay some subsidy?—The idea was to get the opportunity of shipping our produce to Liverpool, Glasgow, Bristol, and Cardiff on the same terms as the colony was shipping to London. The desire was to bring those places into line with London, and if you want to break down the freights you must break them down from New Zealand to London. The direct steamers so long in the trade evidently did not consider the inclusion of the west-coast ports as worth taking up, as publicly advocated by the Department.

28. In plunging into the business as a Government Department, did it not occur to you to consult with the exporting interests of the colony to see what would meet the requirements of their trade?—I think that was unnecessary. All that could reasonably be expected was to provide the facilities and let those interested conduct their own business.

29. By doing this you lend all the weight of a Government contract to maintain the present rates for the next three years: that is the outcome, is it not; unless the unfortunate exporters can, despite of it, themselves effect reductions?—That is your way of putting it. I do not agree with that statement.

30. You cannot deny that is the effect of it?—The New Zealand trade secures great advantage by having a service to the west-coast ports.

31. Following this butter question up, is it not a most important consideration to reach the markets promptly—speedily—with butter?—Yes, I think it is.

32. That being a season article, before the grass-fed butter from the northern latitudes becomes our competitor, is it not of importance to get our produce into the market as speedily as possible, so as to get as much of the season as we can?—I think that is so.

33. The contract you have accepted enables the vessels to go by way of two ports in Australia, calling at three ports at the Cape?—Yes.

34. And then to London?—No.

35. You are permitting the steamers to go to London. The “Surrey,” the “Devon,” the “Dorset,” and the “Buteshire” all made London their first port of call?—No. Some of them did, but that has been objected to and remedied since. I think the “Buteshire” went to Bristol.

36. No; the “Suffolk” went to Bristol. Five vessels have been despatched. Four of them follow the Australian and South African route, then go to London, and from that steam away back through the English Channel round to the west-coast ports?—The “Suffolk” went to Bristol. The “Buteshire,” “Essex,” and “Kent” are all bound for Bristol. The first three went to London, but all the others are going to Bristol.

37. According to my information, the “Buteshire” reached London on the 6th September?—No.

38. And she went to London?—That is a mistake; she went to Bristol.

39. The other vessels I mentioned went to London. Still, bearing in mind that butter is one of the main features of our trade, are you aware that those steamers have taken seventy-three days to go Home from the last port in New Zealand?—The “Surrey” took seventy-seven days, the “Devon” seventy-two days, the “Dorset” sixty-six days, and the “Sussex” sixty-nine days.

40. And the “Buteshire” took seventy-six days?—I have not got the number of days for the “Buteshire.” She arrived after I made up my returns.