

and Oriental and Orient Lines carrying at the same rate as the White Star Line. And in any case there cannot be a fair comparison, because the Peninsular and Oriental and Orient Companies are mail lines, running to time-table dates, and steaming fifteen to sixteen knots, and paying heavy canal dues, whereas the White Star Line steam about the same rate as your steamers—from eleven to twelve knots.

Your reference to the freight on butter to South Africa by the subsidised steam service is not relevant to the present position; and in any case the comparison is very much against you, because under the contract the South African steamers do all that you do in reference to coastal freights, besides which they are compelled to load at four ports, and have loaded at as many as eight ports, and to discharge at Fremantle and three ports in South Africa, instead of your single port (London), in addition to which their maximum shipment to South Africa since the inception of the service is 4,467 boxes, the freight of which was £816 14s. 6d., while the maximum shipment from New Zealand to London during the same period is some 44,000 boxes, on which the freight was £7,700. Then, you are aware that your steamers load outwards to the colony from the single discharging-port of London, whereas the subsidised line has to return to Australia in ballast from the three discharging-ports in South Africa.

I note your belief that butter-shippers are quite satisfied with the present arrangements. That may or may not be so; but it is the producers who have to pay the freight, and who have a claim upon the Government in this matter, and it is in their interest that I am addressing you.

I am being pressed to do my utmost to bring about this reduction in the freight on butter, and without going any further into a discussion on the subject I shall be glad if you will indicate the lines on which you are prepared to establish the reduction. If it can be arranged on reasonable terms I shall do my best to assist.

I have, &c.,
J. G. WARD,

Minister of Industries and Commerce.

The General Manager, New Zealand Shipping Company, Christchurch.

Office of Minister of Industries and Commerce,

Wellington, 1st October, 1903.

SIRS,—

I have the honour to acknowledge receipt of your letter of the 24th instant in reference to freights on butter from this colony to London.

The arrangement made by the Victorian Minister for Agriculture with the White Star Line covers the present season, and is open to be taken advantage of by any one desirous of shipping butter from Melbourne to London or Liverpool, and it is not confined to any particular portion of the butter-export of Victoria.

I understand the maximum rate of freight on butter stipulated for in the Federal mail contract is ½d. per pound net weight, but this does not compel shippers to ship, nor does it prevent the Peninsular and Oriental and Orient Lines carrying at the same rates as the White Star Line. And in any case there cannot be a fair comparison, because the Peninsular and Oriental and Orient Companies are mail lines, running to time-table dates, and steaming fifteen to sixteen knots, and paying heavy canal dues, whereas the White Star Line steam at about the same rate as your steamers—from eleven to twelve knots.

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I have, &c.,
J. G. WARD,

Minister of Industries and Commerce.

Messrs. Levin and Co. (Limited),

Agents, Messrs. Shaw, Savill, and Albion Company (Limited), City.

SIR,—

Wellington, New Zealand, 3rd October, 1903.

In reply to your letter of the 1st instant, in regard to freights on butter and cheese, we would ask you to be good enough to let the matter stand over until we have received from Australia the full details of the terms of the contract offered by the White Star Line to the dairy-produce shippers of Victoria, as it is necessary to compare these terms with those enjoyed by the shippers from this colony.

The lines trading from New Zealand give shippers regular fortnightly despatches, while we understand that the White Star steamers sail from Victoria at irregular intervals of from four to five weeks, and, as they call at South African ports, the length of passage is sometimes unduly prolonged.

Then, again, the lines here pay 10s. per ton coastal freight on the bulk of the shipments carried by them, in addition to rebates of primage and special allowances to the dairy associations, and these have to be considered in arriving at the net cost to the producers.

We are informed that the mail lines from Australia charge ½d. per pound freight on butter, and that notwithstanding the difference between this and the rate named by the White Star Line shippers prefer to pay the higher figure, so as to secure regularity in despatch and arrival of their produce.

If it is found, however, that shippers take advantage of the White Star service to any extent, we shall be glad to discuss with you any proposals which your Government may have to make to assimilate the charge from this colony to that which is made from Australia; but it will have to be borne in mind that shipments are made from all points of this colony, whereas the Victorian export is all made from Melbourne.

Yours, &c.,

LEVIN AND CO. (LIMITED)

(JOHN DUNCAN, Managing Director).

The Hon. the Minister of Industries and Commerce, Wellington.

The New Zealand Shipping Company (Limited),

Christchurch, 5th October, 1903.

SIR,—

We have the honour to acknowledge receipt of your letter of the 29th ultimo, and beg to thank you for the information given with reference to the arrangement made by the Victorian Minister for Agriculture with the White Star Line for the carriage of butter from Melbourne to London or Liverpool. We learn from the agents of the White Star Line in Melbourne that they do not expect to obtain any of the new season's butter, even at ½d. per pound freight, owing to shippers preferring to pay ½d. per pound freight and to ship by the more frequent and regular service provided by the Peninsular and Oriental and Orient Lines. The average passage of the steamers of those lines from Melbourne to London is forty-one days, as against the following passages of the White Star steamers:—

Steamer.		Left Melbourne.		Arrived London.		Passage.
"Suevic"	..	27th February	..	20th April	..	52 days.
"Persic"	..	27th March	..	16th May	..	50 days.
"Runio"	..	16th April	..	6th June	..	51 days.
"Medic"	..	28th May	..	14th July	..	47 days.
"Afric"	..	25th June	..	13th August	..	49 days.

—an average of about fifty days.

We respectfully beg to point out that you hardly do this company justice when comparing the speed of our steamers with that of the White Star Line from Melbourne. The steamers of this company's line which have been fixed to carry dairy-produce from New Zealand during the present season