

AUSTRALIA-SUEZ SERVICES.

No. 79.

The AGENT-GENERAL to the Hon. the PRIME MINISTER.

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

(Memorandum.)

11th February, 1905.

IN reply to the Hon. Minister's letter of 7th November last [not printed], I am sending by book-post to the Secretary, Post and Telegraph Department, Wellington, by to-day's mail, the six copies each of Parliamentary Papers 259-1897 and 328-1904, relating to conveyance of East Indian, China, and Australian mails.

WALTER KENNAWAY, for the Agent-General.

The Hon. the Premier, Wellington.

Enclosure 1 in No. 79.

Return to an Order of the Honourable the House of Commons, dated 18th June, 1897, for Copy of Contracts (two), dated 25th May, 1897, which have been entered into with the Peninsular and Oriental Steam Navigation Company and the Orient Steam Navigation Company, respectively, for (1) the Eastern and Part of the Australian Mail-service, (2) the other Part of the Australian Mail-service, together with Copy of the Treasury Minute thereon, dated 29th May, 1897.

[259: 1897.]

POST OFFICE (EAST INDIA, CHINA, AND AUSTRALIA MAILS; AND AUSTRALIAN MAILS).

(Treasury Minute dated the 29th May, 1897.)

My Lords have before them a contract dated the 25th May, 1897, between the Postmaster-General and the Peninsular and Oriental Steam Navigation Company, for the conveyance of the East India, Australia, and China mails, and a contract dated the 25th May, 1897, between the Postmaster-General and the Orient Steam Navigation Company, for the conveyance of the Australian mails.

Both contracts come into operation on the 1st February, 1898, and continue until the 31st January, 1905.

The contracts made with the above-mentioned companies on the 19th January, 1888, and the 23rd January, 1888, respectively, for the conveyance of the Australian mails terminated on the 31st January, 1895, but were renewed (with some unimportant modifications) until the 31st January, 1898, by agreements dated the 30th January, 1895.

The object of this extension was to secure the termination of the contracts for the conveyance of the Australian mails at the same date as that with the Peninsular and Oriental Steam Navigation Company for the conveyance of the East India and China mails, which ran from the 1st February, 1888, to the 31st January, 1898.

The tender forms for the contracts now in question were issued on the 7th April, 1896, and were returnable on the 7th July, 1896.

Tenders were invited for all or any of the following services:—

1. A weekly service to and from Australia, or a fortnightly service to alternate with another fortnightly service.
2. A weekly service to and from Bombay.
3. A weekly service in each direction between Aden and Bombay.
4. A weekly service in each direction between Aden and Karachi.
5. A fortnightly service in each direction between Colombo and Shanghai, calling at Penang, Singapore, and Hong Kong.

The tenders received were as follows:—

(1.) Two complete inclusive tenders from the Peninsular and Oriental Steam Navigation Company for a weekly service to and from Bombay, and fortnightly services, *via* Colombo, to and from Shanghai and Australia, one tender naming Marseilles and the other Brindisi as the European port of departure and arrival, the subsidy asked being £310,000 a year for the service *via* Marseilles, and £330,000 a year for the service *via* Brindisi.

(2.) A tender from the Orient Steam Navigation Company for a fortnightly service to and from Australia, *via* Colombo, in alternation with a fortnightly service of some other contractor. Subsidy, £85,000 a year.

(3.) A series of tenders from the Ocean Steamship Company of Liverpool, following closely the lines of the Postmaster-General's advertisement, and offering a number of alternative services between Brindisi and Bombay, Aden and Bombay, Aden and Karachi, and Colombo and Shanghai, together with extensions of these services to other ports.

(4.) A tender from the China Navigation Company for a service between Calcutta (Diamond Harbour) and Shanghai.