If we were to ask any New Zealander long resident in the colony what shipping company loomed largest in his mind in the middle "sixties," he would undoubtedly say the Panama Company, which was inaugurated with English capital in 1865

The finest ships of the Company were employed in running from Sydney to Wellington thence to Panama, and afterwards returning to Australia by the same route. Some really fine steamers were employed in the run, viz. —Ruahine, Rakaia, Mataura, and Kaikoura—each of over 3,000 tons. These vessels must not be confused with the American hine which ran the paddle steamers Nebiaska and Nevada to Panama at about the same time. The intercolonial service of the Panama Co. was carried out by the Tararua, Otago, Rangitoto, Auckland, Claud Hamilton, Egmont, Phœbe, Lord Ashley, Lord Wellesley and Victory. The two last named were ships acquired from the old Coleman Company.

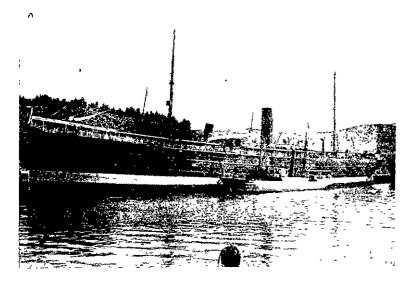
After a short and eventful career of about four years, the Panama Co. went into liquidation, their ships being mostly sold to the Union Co.

In passing, it is to be noted that the two amalgamated companies which now form the formidable organisation of the Shaw, Savill and Albion Co., Ltd had a profitable innings "in the good old times," yet they carried out the traditions

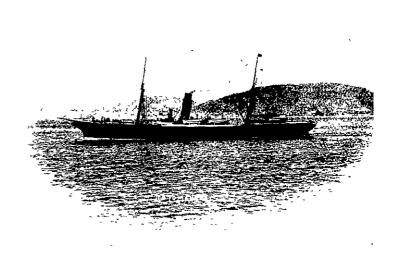
characteristics of English boldness and expansion, backed up by Scotch "canniness" of administration and control. The most celebrated steamers of the line, the Arawa and Tamui, were built specially for the Company by Wm. Denny & Bros., of Dumbarton, and were expressly designed for the colonial trade. It would be easy to occupy columns with details of these old ships, the strength of their engines their surpassing speed and equivalent safety, the luxury of the saloons state-rooms and cabins, and the efficiency of the interior appliances; let it suffice to state here that the vessels of the Shaw, Savill & Albion Co in those days were second to none in every appurtenance for comfort, celerity and security. The Arawa, as already shown by Mr. Bullen, has made the fastest homeward passage on record.

But we are digressing. In 1869 certain merchants in Auckland thought the time had arrived for them to form a "Colonial Shipping Co' and run vessels between New Zealand and the United Kingdom but they were unsuccessful; and it was not until 1872 that merchants in Christchurch formed the now universally known New Zealand Shipping Co. This concern was founded in December of that year for the express purpose of opening up a regular communication between New Zealand and the United Kingdom. Business first started.

extended to ports of the Middle Island The steamers taken over consisted of the Maori, a small vessel of 174 tens register, which made monthly trips from Dunedin round the Middle Island, calling at the Bluff, Martin's and Jackson's bays, Hokitika, Greymouth, Westport, Nelson, and Lyttelton; the Beautiful Star, 146 tons, and Bruce, 460 tons, both of which traded between Dunedin, Akaroa, Timaru, and Lyttelton-each boat making one trip per week. In addition to these were two steamers which had been ordered from Wm. Denny & Bros. a few months previously in view of extending the Company's operations to the North Island These steamers, in size, speed, and accommodation, were of a class far in advance of anything employed in the coastal trade of the colony and their arrival in New Zealand had been looked forward to with great interest by the public, many of whom were of the opinion that the directors of the Company were over-sanguine in anticipating remunerative employment for boats of what then appeared to be such excessive tonnage—720 tons gross register each. The first to arrive was the Hawea, which reached Port Chalmers on the 10th June, 1875, and she was followed by her sister ship, the Taupo on 2nd July. These at once took up their running in the new trade, each making a fortnightly trip from Dunedin to Onehunga



LARGEST AND SMALLEST OF THE U.S.S. CO THE APARIMA, 5 704 TONS, AND THE MAORI, 174 TONS, SIDE BY SIDE AT PORT CHALMERS IN 1905. [Photo supplied by Mr. F. G. Layton.



THE ROTOMAHANA. 1,727 TONS BUILT IN 1879 BY W. DENNY AND BROS., DUMBARTON, FOR THE UNION STEAM SHIP CO., AND IN HER DAY ONE OF THE FLEETEST VESSELS AFLOAT. [Photo by De Maus.]

of their respective founders by constantly keeping themselves abreast of the changing conditions of expanding trade and advancing science.

Somehow or other, as a new home for Englishmen and Scotchmen, New Zealand possesses attractions which Australia, with her amazing progress and vast territory, can hardly boast. There is first the insularity, and then the compactness of our colony to charm the emigrant with reminiscences of home, and to-day the ocean is overcast with the smoke of the ships which do England's passenger and freight business in Antipodean waters.

It was under very different conditions, however, that the Shaw, Savill Company first confronted, forty years ago, the problem of supplying communication between Great Britain and her semisavage appanage in the Pacific Seas. When the Shaw, Savill Co. made their first experiment in the regular despatch of vessels the average number of ships did not exceed fifteen a year, and these or snips did not exceed liteen a year, and these were only sailing ships of 600 to 800 tons register; while the voyage usually occupied from four to five months, as against 80 to 90 days for their later sailers, and 40 to 45 days for their steamers. The Albion Company were also a very old firm in the trade; what, therefore, more natural than that, when in 1883 things in the shipping line were going ahead by leaps and bounds, the two old houses should lay their heads together for the purpose of forming a combination which would represtrength, both as long establishment and modern adaptability. The united Company no longer despatch a regular succession of sailing ships, but the main result of the combination has been the placing on the berth of some of the finest passenger-and-cargo steamers affoat, and their inauguration of a fortnightly service between London and the colony, for the carriage of passengers, mails, meat and general cargo that is attended with comfort and punctuality, and at rates of fare and freight which would have astonished an earlier generation. The Shaw Savill Co. in the early days made London their main port of departure, and just in the same way the Albion Co. adhered to the Clyde The ioint concern covers the same ground, and illustrates, in the vigour and economy with which the venture is carried on, all the best points of the national with chartered sailing ships, the Punjaub, 883 tons, opening the service from London in 1873; while in the same year the first vessel owned by the Company, the Dunfillan, (re-named the Mataura), 863 tons, was purchased.

Formation of the Union Co.

In 1875 our Home shipping took shape in the formation of the Union Steam Ship Co. of New Zealand, at Dunedin, in order to take over the business and plant of the Harbour Steam Co., a small local proprietary which had been in existence for some years, and whose trade, originally confined to the carriage of passengers and cargo between Dunedin and Port Chalmers, had afterwards been



THE END OF A FAMOUS NEW ZEALAND WHALER—THE CHANCE HIGH AND DRY. THIS OLD SHIP "MADE A BETTER INCOME FOR HER FORTUNATE OWNERS THAN ANY OF THE SHOWY, SWIFT COASTING STEAMERS" OF HER DAY

Photo supplied by Mr. F G Layton.

and back via Lyttelton, Wellington, Picton, Nelson, and Taranaki, and at each port they visited on their initial trips they attracted a large amount of attention and admiration.

At this time the Shaw, Savill Co. chartered the steamer Atrato, an old vessel employed in the West India trade, but the result was not encouraging; and as no steamer had touched at New Zealand before this, it should be mentioned that ours was the last British colony to obtain the benefits of a steamship service.

The increasing prosperity of the colony at this period, coupled with the additional facilities placed at the disposal of traders, kept the Union Co.'s Hawea and Taupo so fully employed that it was decided to order from Denny & Bros. another vessel of the same class. Meantime the Company had received its first check in the loss of the Bruce, which was wrecked at Taiaroa Heads on 15th October, 1875, after having been little more than a year in the colony. Another steamer was at once ordered to be built to replace her. After a short period of competition with the New Zealand Steam Shipping Co., a friendly arrangement was made by which the Union Co. purchased their steamers, viz: Phœbe, 587 tons; Taranaki, 443 tons; Wellington, 383 tons; and Ladybird, 421 The Wanaka, the steamer built to replace the Bruce, arrived in the colony in January, 1877. The Rotorua, which was ordered from Denny's before the absorption of the New Zealand Steam hinning Company's fleet, arrived in New Zealand waters in December, 1876, and was placed in the intercolonial trade. The Waitaki, Wakatipu and Taiaroa were shortly after acquired by the Company. In 1878 the Union Co. purchased Messrs. McMeckan, Blackwood & Co's. intercolonial fleet, comprising the Ringarooma, Arawata, Tararua and Albion. Shortly afterwards the Company had the misfortune to lose two of their East Coast steamers-the Taranaki struck on Karewha island in the Bay of Plenty on 29th November, 1878, during a dense fog, and the Taupo stranded on a reef inside Tauranga harbour on 28th February, 1879. The Taupo was replaced by the fine little steamer Penguin, which arrived in the colony in August, 1879. In September of the same year the Rotomahana arrived—the first trading vessel built of mild steel; this material was the means of her escaping serious