

SIR,—

*“ Railway Iron.*

“ 28th December, 1878.

“ I have to inform you that I have not succeeded in chartering the ship ‘ Minister of Marine ’ upon the conditions of your letter of the 20th instant, it being quite impossible for the vessel to arrive at Cardiff by the date named therein. I have, however, chartered this vessel to load in London, and I now beg to nominate her for the conveyance of the 1,700 tons of railway iron and fastenings hence to Auckland, as per your notice of the 4th.

“ If you accept the ‘ Angerona ’ from Cardiff, tonnage will now be provided for all the railway iron, except about 800 tons from Cardiff, and a similar quantity from Middlesboro’. Of the latter, I have to ask you to be pleased to reserve such quantity as may be required for the steamer to be despatched next month, and the balance from Middlesboro’ we will nominate a vessel for at any time you require; and, if a vessel is not procurable to load the remainder of the iron at Cardiff, we will at once provide necessary tonnage from London.

“ I trust these proposals will meet with your approval.—I have, &c.,

“ The Agent-General for New Zealand.”

“ O. R. STRICKLAND, Manager.

“ In reply to your letter of 28th instant, respecting the ‘ Minister of Marine,’ I have to inform you that the Agent-General will approve of that vessel for the conveyance of the 1,700 tons, &c., to Auckland, and will give orders at once that that quantity be sent up to London for shipment.

“ The New Zealand Shipping Company (Limited).”

“ W. KENNAWAY, Secretary.

“ In reply to your letter of the 28th instant, I have to inform you that the Agent-General will accept the ship ‘ Angerona ’ on the terms mentioned in your letter.

“ The Agent-General relies on your expediting the loading as much as possible. Will you therefore be so good as to state the earliest date at which the ship will be ready to commence to load.

“ I return the papers left with me this afternoon.

“ The New Zealand Shipping Company (Limited).”

“ W. KENNAWAY, Secretary.

The last vessels taken up to load the balance of rails—viz., The “ Minister of Marine ” and the “ Western Belle ”—were much delayed in the discharge of their inward cargoes in consequence of the very severe weather which prevailed during January and February of this year, and their departure was consequently much delayed. It will be observed that, up to the notice of the 4th December to provide for the shipment of 6,000 tons of rails at London, this Company succeeded in obtaining the “ Angerona ” to load at Cardiff at 29s. per ton, per account of the Government; and in the course of her loading it was discovered the Agent-General had not a full cargo of rails to ship in this vessel; and, but for this Company undertaking to provide the remainder of the cargo, the Government would have had to pay dead freight upon upwards of 300 tons.

It does not believe me to comment upon the expressed opinions of the Agent-General relative to his ability to have caused a saving to the Government if he had been able to make independent arrangements. His charter of the “ Edwin Barron,” at 29s. per ton (a rate equivalent to the highest paid through the Company, and that for one ship only), when placed in the fortunate position now deemed so essential, is the best answer to this assertion; but I submit most respectfully that the delay was caused entirely by the persistent refusal of the Agent-General to accept tonnage when offered to him at moderate rates of freight, and I most emphatically deny the statements that this Company has used Government cargo as a convenience, or treated it in the manner described, or that permission was refused the Agent-General to make his own arrangements because the Company hoped to make something out of the shipment from the place of manufacture. The directors did not empower me to make this concession, and, without explaining the why or the wherefore, I had simply to decline the request of the Agent-General.

The remainder of the despatch—referring to a want of competition in consequence of an alleged coalescence with the other firms in the trade, and if the Government engage ship by ship several high-classed firms would enter the trade, and carry Government cargo and emigrants at losing rates—should be regarded with as little seriousness as it is intended to convey.

I simply ask that this reply and copies of correspondence may be placed in juxtaposition with the despatch of the Agent-General, and I feel satisfied you will consider the complaints of the Agent-General utterly groundless, his statements most unjust, and the arguments he advances against any renewal of the contract wholly untenable.

I have, &c.,

O. R. STRICKLAND,  
Manager.

The Minister for Public Works.

### No. 3.

The AGENT-GENERAL to the Hon. the MINISTER for IMMIGRATION.

SIR,—

7, Westminster Chambers, London, S. W., 5th September, 1879.

I am in receipt of your letter No. 151, of the 5th July, in which you thank me for my efforts to act in the interests of the colony with regard to the New Zealand Shipping Company, and enclose me the copy of a communication from the general manager of the Company.

That communication refers to a previous letter, of which I do not remember to have seen a copy. Mr. Smith complains of my action in strong terms. I am not surprised at his doing so, because from the Company’s point of view it must seem hard that I should strive to work the contract to the best advantage of the Government. I do not understand the complaint of my not giving the Company information as to my shipping requirements. They were perfectly aware of the quantities to be shipped. It was not until they failed to provide what was required that I felt myself compelled to give a notice in the terms of the contract.

It does not seem to me that the point at issue is well realized: at any rate, I fail to understand what course I am to pursue in future.