

The mention of these cases reminds me that it will constantly be the question with the owners of steamers as to which of the two policies they will choose: whether to make sure of Government emigrants first, and take their chance of paying passengers afterwards, or wait to see what paying passengers they are to have, and then take their chance of getting emigrants. But their interest in deciding that question will never be the same as the colony's, and this alone would be a strong reason against giving a monopoly of the Government business to any one.

I hope the effect of the minute may be to bring the companies together, and induce them to continue a healthy competition, without disturbing the good relations between them, by which the interests of the colony can, in my opinion, be best served.

I have, &c.,

The Hon. the Minister of Immigration, Wellington.

F. D. BELL.

Enclosure in No. 19.

MINUTE by the AGENT-GENERAL for the Consideration of the New Zealand Shipping Company and Shaw-Savill-Albion Company on the Conveyance of Government Emigrants and Freight.

THE Agent-General invites the consideration of the two shipping companies to the following observations upon the temporary arrangements that have become necessary for the period extending from the present time to the next session of the New Zealand Parliament.

A Joint Committee of both Houses sat last session to consider the proposals then before the Legislature for a direct service, and adopted the following resolutions: "(1.) That no contract for a direct steam service should be entered into before the next session of the General Assembly. (2.) That, in the meantime, the Government should make such arrangements, consistent with efficiency, as will be least burdensome on the public revenue. (3.) That, in making such arrangements, due regard should be paid to the claim which the New Zealand Shipping Company, by its enterprise, has upon the colony. (4.) That, having regard to the safety and comfort of passengers, the Government should give preference to unsinkable ships. (5.) That the Bluff should be included in the ports of arrival and departure which shall be optional for steamers under arrangements with the Government."

It has now, accordingly, become the Agent-General's duty to make such temporary arrangements for the Government emigrants and freight as shall be most nearly in accord with the resolutions of the Joint Committee, and he invites the co-operation of the two companies to that end. It will be desirable, with that object, to review the present position of the matter.

When emigration to the colony was resumed at the end of 1882 the Government business had been managed for several years on the following system: As regarded emigrants from Plymouth the practice had been, whenever a vessel was required, to call upon the New Zealand Shipping Company to provide one under the contract made with that company in 1878, there being an understanding between them and Messrs. Shaw, Savill, and Company to share the Plymouth business between them. As regarded emigrants from the Clyde, these had been treated separately and sent in ships belonging to the Albion Company. The Agent-General did not, at the time he is speaking of, see any reason to make changes in a system which had, on the whole, worked well, especially when cordial relations had for many years subsisted, not only between the three companies themselves, but between them and the officers of his department.

But at the end of last April several circumstances had happened to make a modification of the system desirable. The Shaw-Savill Company and Albion Company had amalgamated; the New Zealand Shipping Company had started a monthly line of steamers; the time for receiving tenders for a Government service had expired; the Agent-General had been unsuccessful in his endeavours to induce the companies to make either a separate or a united tender; and he had seen with regret that, while the good understanding between them and his officers remained undisturbed, the relations between the companies themselves had become sensibly impaired. Without dwelling on the discussions which then took place, it will be enough to say that in the end both companies alike expressed a wish that he should temporarily settle the apportionment between them of the Government business, and state the manner in which he desired it to be carried out, pending a decision of the whole question by the Government.

In determining the scheme on which that apportionment should be made, the leading principle with the Agent-General was simply this: If either of the companies had tendered for the service on the 30th April, that company would have had a fair claim to all the Government business that could be given to it without detriment to the public service; but, when both refused to tender, though both alike declared their intention of going into steam, it became, in his opinion, the interest of the colony to give a monopoly to neither. The colony recognized that the New Zealand Shipping Company were entitled to the fullest consideration for their courage and enterprise in being the first to establish a monthly line of their own; but it would have been idle to ignore how much the establishment of any line whatever had been due to the mass of varied information brought together by the Government; nor could it be forgotten how much of this information had been freely given by Mr. Denny and Mr. Galbraith, or that they had been the first to fit up a ship with refrigerators and test the success of the trade in frozen meat. The Agent-General considered it to be due to the New Zealand Shipping Company to abolish the separate character of the Clyde emigration, and by that abolition he much increased their share in the Government business. On the other hand he required of the Shaw-Savill-Albion Company, if they were still to have a share, that they also should take their part in steam and build not less than two first-class steamers for the trade.

Now at the time these events were happening about 2,750 statute adults had to be sent out to make up the number for that season: and the effect of the scheme settled by the Agent-General was that, while 1,300 of these people were allotted to the Shaw-Savill-Albion Company, 1,450 were