

The HON. J. G. WARD: They are all weighed when they are made up.

The HON. J. KIDD: But they are weighed for purposes connected with overland transit, not for the purpose of ascertaining the amount payable for their carriage by water; whatever the bulk or weight of the mails may be, the payment under the subsidy system is the same. I am informed that if the system of payment by weight were adopted, the amount would be about the same, though probably in the long run we have an advantage under the subsidy arrangement. The subsidy is for a certain amount, and supposing that it is a little heavier for the first year or two, by the end of seven or ten years that system will prove the better.

The HON. J. G. WARD (N.Z.): But what would you do in the event of two or more new lines of steamers coming in during the term of the contract?

The HON. J. KIDD: Make the best of it for the present, and make better provision for the future.

The HON. J. G. WARD: By way of personal explanation, I wish to state that both yourself, Mr. President, and the Hon. Mr. Kidd slightly misunderstood what I intended to convey. I did not express any fear of any possible loss of mails. What I wanted to make clear was that whilst we paid enormous subsidies for the carriage of our mails, in the event of the loss of a mail package there is absolutely no redress, in the case of the loss of a package of cargo you have redress. I wished to call attention to that anomalous state of affairs. The fact that a mail bag has never been lost is the best argument which can be adduced in favour of my contention for the abolition of subsidies.

The HON. J. KIDD: That can be covered by an additional clause or two in the next contract.
Question put and passed.

New Zealand to Join in the Service.

On the recommendation—

“That New Zealand be invited to join in the service”—

The Hon. J. G. WARD (N.Z.) said: I cannot hold out any immediate prospect of our joining in this Federal service. New Zealand is distant from Australia some 1,200 miles by sea. We have, of necessity, to send the mails from the northern portion of the island across America to London in order to insure a speedy service. I refer to the San Francisco mail service. The amount paid for that service last year amounted to about £18,000, the greater portion of which was paid by New Zealand. If we could get as good a mail service for the public of New Zealand as we are now getting, we would be very ready to coalesce in the proposal now made. But we cannot, and we are therefore bound to maintain the San Francisco service. To that service the other colonies contribute upon the basis of 12s. per lb. weight carried for them. In addition to this service we have also to support two direct mail services—the New Zealand Steamship Company and the Shaw-Saville Company's services. Those companies do the bulk of their business with New Zealand, and we support them on the basis of the weight of mail matter they carry for us. We thus have to maintain three mail services. We in addition pay for mails carried for us by the Federal service, for which we pay at the rate of 12s. per lb. The amount is only small, last year our contribution being £812 19s. I hope the other colonies will not imagine that New Zealand is not anxious to join them. We have nothing to gain by opposing this service. On the contrary, if our circumstances did not compel us to support the San Francisco service and our present direct services, we would join heartily, notwithstanding my own views in regard to subsidies. I ask you to accept my explanation of the position of New Zealand. It may be argued that if we agree to join this Federal service we would not have to pay any more than we now pay; but if we joined you, we would have to pay our present services on the basis of weight, a largely reduced sum, and the two companies which now carry our mails are now complaining about the smallness of the contribution they get, so that our position is a difficult one.

The HON. J. KIDD (N.S.W.): I think this recommendation is a mistake, for the reasons explained by the Hon. Mr. Ward. If any of us represented New Zealand we would take up the same position. Why should they join in our mail service and destroy the one they have got? The Hon. Mr. Ward is quite right in acting in every possible way in the interests of New Zealand. He has shown the small amount his colony paid last year for poundage, and we cannot ask that they should give up a better service and join us, especially in view of their great distance from us.

The PRESIDENT: I quite agree with the remarks made by the last speaker. We cannot ask New Zealand to join us in this matter. It is not necessary to make any further remarks, as the Hon. Mr. Ward has so clearly put the case. As business men we can see the position New Zealand is in, and we cannot expect them to do what would certainly be against their own interests.

Question put and negatived.

Tenders.

On the following recommendation:—

“That the London Post Office be invited to call for tenders on conditions approved by the colonies, from *bonâ fide* English companies (to be performed by one company or by two, in the latter case running alternatively, as at present), but before accepting any tender that all tenders be submitted to the colonies”—

The HON. J. KIDD (N.S.W.) said: The word “weekly” does not appear in this paragraph. It would be very much better if tenders were called, so as to give two companies the right of joining in a tender. We ought to insist that we have the advantage of two companies. We are not likely to get any company within the next few years to run a weekly service. It would be much better to invite two companies to run an alternative weekly service, as at present. We have only to be consulted afterwards, so far as the payment goes. The Imperial authorities pay rather more than we do, and if we want to have a bigger voice in it, it would be better to make it clear that we consider it better to continue the service by two companies