

see no way out of the difficulty unless you can induce the Governments to guarantee discharge within a given period. It is only reasonable that shipowners should either be paid demurrage or get reasonable despatch."

I may mention that the custom in South Africa is to quote prices on the basis of 2,000 lb. to the ton, and it would be well for New Zealand exporters dealing with this country to do the same, else their quotations per ton will compare with those of their rivals less favourably than they should.

From all the facts before me, I am forced to the conclusion that if we are to compete successfully with other exporters we must have increased shipping facilities in the shape of regular light-draught steamers which can cross the bars at Durban and East London, and which are an advantage even at Cape Town, where there is no bar, but where small craft are more easily accommodated than large ones. These vessels should not draw more than 18 ft. 6 in. if they are to cross the East London bar; and not more than 20 ft. in the case of the Durban bar. It is desirable to cross the bar when possible, as a saving of about 5s. a ton lighterage is thereby effected, while the advantage in the handling of goods at the wharf is too obvious to need explanation. The boats require to be specially built for the trade, and to have a speed of not less than 12 knots. They ought to have first-, second-, and third-class accommodation for a limited number of passengers. I think accommodation for, say, twenty first, twenty second, and forty third would be ample. They should be fitted with large refrigerating-space at varying temperatures for the different articles, and butter ought to be carried in a separate refrigerator by itself. They should also have accommodation and fittings for the carrying of live-stock. These boats would probably cost from £75,000 to £80,000, and, if a monthly service is aimed at, at least five boats would be necessary to maintain a regular service. The cost of dry-docking and general repairs are very high here. There would be very little, if any, return cargo from here, and but little passenger traffic. The bulk of cargo from New Zealand would be mostly measurement, and there would be very little close weight. If a new line were established it would have to face competition from the Australian liners already running to South African ports. As regards subsidy, it is difficult to name a sum, but from inquiries I find that at least £36,000 per annum and a ten-years contract would be required to attract the class of steamer I have indicated. If a company were formed it would require a capital of not less than £500,000. Fair samples of the class of steamer most suitable for the New Zealand-South Africa trade are those of the two direct lines between London and Durban—viz., the Aberdeen Direct Line (Messrs. J. T. Rennie and Son) and the Natal Direct Line (Messrs. Bullard, King, and Co.). They are a very suitable type of steamer, having been built specially for this trade. They quote a rate of freight which includes the cost of landing, whether from outside or inside the harbour—that is to say, the shipowner delivers the cargo to the consignees on the wharf, reserving the right to appoint one landing-agent, who handles the whole steamer, receives the goods from the ship's slings, sorts it to the bill of lading, stacks it into wharf shed, and delivers to the holder of the bill of lading, the steamer being charged by such landing-agent at fixed rates.

The following are the rates at which this work is done at Durban: From the outer anchorage—passengers and baggage, each, 5s.; frozen meat, per 1,600 lb., 7s. 6d.; general cargo, 40 cubic feet or 20 cwt., 6s. 6d.; horses, each, £2 2s.; cattle, each, £1 1s.; sheep, each, 2s. 6d.: inner harbour, at buoys—passenger and baggage, each, 4s.; frozen meat, per 1,600 lb., 2s. 6d.; general cargo, 40 cubic feet or 20 cwt., 3s. 6d.; horses, each, £1 1s.; cattle, each, 10s. 6d.; sheep, each, 1s. 6d.: wharf-side—passenger and baggage, each, 2s.; frozen meat, per 1,600 lb., 2s. 6d.; general cargo, 40 cubic feet or 20 cwt., 2s. 6d.; horses, each, 5s.; cattle, up to fifty 5s., over fifty 2s. 6d.; sheep, up to 1,000, 6d. each, over 1,000, 2d.

While dealing with the Port of Durban I may state that coals can be obtained there at from £1 5s. to £1 15s. per ton on wharf, and this should prove an economic factor in the situation. These prices are somewhat high compared with those which prevailed before the war, the best qualities being obtained then at about £1 1s. 6d. f.o.b. As regards the port itself, the depth of water on the bar has been steadily improving for many years past. The Government of Natal are, however, not satisfied with this, and have instructed their engineer to draw up a plan involving an expenditure of some two millions, a great portion of which will be spent in improved dredger-power, with the avowed object of having at least 25 ft. of water at low water ordinary spring tides.

On my way down coast from Durban I visited Port Elizabeth. This port is situated on the western shore of Algoa Bay. Up to the present few boats coming from Australia have made it a port of call. It possesses a good roadstead, with sound holding-ground, and is protected from all winds, excepting the south-east, affecting only seven points of the compass. The port itself is furnished with three iron jetties terminating in 22 ft. of water at lowtide. These jetties are provided with the modern hydraulic and other cranes, and with these appliances any weight up to 20 tons can be dealt with. The lightering system chiefly prevails. There is direct railway communication with the jetties, so that goods can be taken from ships or lighters alongside and deposited into trucks and forwarded directly to their destination, thus saving the expense and risk of extra handling and reloading. From these jetties the lines of rails lead not only to the main trunk lines of the country, but also on to the extensive depositing and sorting grounds, and alongside the numerous warehouses of the Board, from which goods are distributed to their various destinations. With the appliances and accommodation at present existing about 4,000 tons of cargo can be dealt with per day, and when works under construction are completed it will be practicable to deal with 5,000 tons per day. Coal can be obtained at this port at from £2 to £3 alongside. The port is an absolutely free one, there being no harbour or light dues charged to vessels of any flag. Fresh water and provisions are always obtainable. Although there is no artificial harbour for the protection of vessels, long experience has shown that ships lying in the roadstead can safely and rapidly discharge their cargo on 300 week-days in the year. During the last four years the actual