

No. 5.

The SECRETARY FOR INDUSTRIES AND COMMERCE to the Hon. Sir J. G. WARD.
Industries and Commerce Department, Wellington, New Zealand,
10th April, 1902.

(Memorandum.) *Tenders for Steam Service to South Africa.*

I HAVE carefully reviewed the tender of the New Zealand and South African Steamship Company for the above service, received in response to the advertisement dated 25th January, 1902. I beg to draw your attention to the following conditions of the tender compared with the conditions contained in the advertisement: Clause in advertisement reads, "Preference will be given to tenderers offering highest speed and best passenger accommodation; speed to be not less than ten knots per hour." The above-mentioned company offers three steamers capable of maintaining a speed of nine to ten knots, without first-class passenger accommodation, but to have third-class accommodation fitted if found necessary. This means slow steamers with the least possible passenger accommodation, which is the reverse of the requirements of the Government as indicated in the advertisement. Then, this company propose to carry on the service with three slow steamers. If monthly sailings are to be maintained this is an absolute impossibility. No doubt the tenderers are aware of this, as they qualify the clause referring to monthly sailings by adding the words "or as near thereto as possible." If the Government accepted the New Zealand and South African Steamship Company's offer to carry on the service with three steamers of the type offered, it would mean a steamer about every seven or eight weeks at most. This would mean paying an annual subsidy for seven opportunities of shipment as against a monthly service which would give twelve opportunities of shipment.

I have also reviewed the tender of Mr. H. Sleigh. The terms and conditions offered by Mr. Sleigh are consistent with the advertisement, excepting that he requires the option of calling at three Australian ports to fill up with cargo for South Africa should the steamers fail to fill in New Zealand. As the Government gives no guarantee of cargo, this is not an unreasonable request, and except as regards a deviation, which should be avoided if possible, I see no grave objection to granting the option. In other respects the tender provides for a very suitable service with many advantages to the colony.

The Hon. the Minister of Industries and Commerce.

T. E. DONNE, Secretary.

No. 6.

The AGENT-GENERAL to Mr. H. C. SLEIGH.

7th March, 1902.

SIR,—

Referring to your tender for the maintenance of a steam service between New Zealand and South Africa, I am directed by the Agent-General to inform you that he has received a cable-gram from his Government instructing him to ascertain from you at what date you would be able to commence the service.

I have therefore to request you to furnish him as soon as possible with the information required, in order that he may cable it to the colony.

H. C. Sleigh, Esq.

I am, &c.,

WALTER KENNAWAY.

No. 7.

Mr. H. C. SLEIGH to the AGENT-GENERAL.

28, Gracechurch Street, 8th March, 1902.

SIR,—

I have the honour to acknowledge the receipt of your letter of yesterday's date. In reply I beg to inform you that I am willing to commence a service between New Zealand and South Africa, in terms of my tender, with cargo-steamers at any time suitable to the New Zealand Government one month after the signing of a contract. Such cargo-boats to be replaced by insulated and properly fitted steamers, as per condition of tender, as promptly as such steamers can be fitted to suit the requirements of the trade and arrive in New Zealand. I anticipate that this will take from five to six months. As the increased speed desired by your Government (thirteen knots) leads to some slight alteration of my arrangements, I am unable at the moment to name an exact time for the arrival of such steamers, but hope to be in a position to do so during next week.

I am, &c.,

HAROLD C. SLEIGH.

The Agent-General for New Zealand.

No. 8.

The AGENT-GENERAL to Mr. H. C. SLEIGH.

11th March, 1902.

SIR,—

I am directed by the Agent-General to acknowledge the receipt of your letter of the 8th instant, and in reply to inform you that he has been instructed by his Government to state that they could not wait, as you propose, for five or six months for properly fitted steamers; and that, as cargo-boats would be of no use, it is absolutely necessary that steamers such as are described in the conditions specified in the advertisement should be ready on berth in New Zealand within a few weeks after the contract has been signed.