

Then, again, the lines here pay 10s. per ton coastal freight on the bulk of the shipments carried by them, in addition to rebates of primage and special allowances to the dairy associations, and these have to be considered in arriving at the net cost to the producers.

We are informed that the mail lines from Australia charge  $\frac{3}{4}$ d. per pound freight on butter, and that notwithstanding the difference between this and the rate named by the White Star Line shippers prefer to pay the higher figure, so as to secure regularity in despatch and arrival of their produce.

If it is found, however, that shippers take advantage of the White Star service to any extent, we shall be glad to discuss with you any proposals which your Government may have to make to assimilate the charge from this colony to that which is made from Australia; but it will have to be borne in mind that shipments are made from all points of this colony, whereas the Victorian export is all made from Melbourne.

Yours, &c.,

LEVIN AND CO. (LIMITED)

(JOHN DUNCAN, Managing Director).

The Hon. the Minister of Industries and Commerce, Wellington.

The New Zealand Shipping Company (Limited),  
Christchurch, 5th October, 1903.

SIR,—

We have the honour to acknowledge receipt of your letter of the 29th ultimo, and beg to thank you for the information given with reference to the arrangement made by the Victorian Minister for Agriculture with the White Star Line for the carriage of butter from Melbourne, to London or Liverpool. We learn from the agents of the White Star Line in Melbourne that they do not expect to obtain any of the new season's butter, even at  $\frac{3}{4}$ d. per pound freight, owing to shippers preferring to pay  $\frac{3}{4}$ d. per pound freight and to ship by the more frequent and regular service provided by the Peninsular and Oriental and Orient Lines. The average passage of the steamers of those lines from Melbourne to London is forty-one days, as against the following passages of the White Star steamers:—

| Steamer. | Left Melbourne. | Arrived London. | Passage. |
|----------|-----------------|-----------------|----------|
| "Suevic" | 27th February   | 20th April      | 52 days  |
| "Persic" | 27th March      | 16th May        | 50 days  |
| "Runic"  | 16th April      | 6th June        | 51 days  |
| "Medic"  | 28th May        | 14th July       | 47 days  |
| "Afric"  | 25th June       | 13th August     | 49 days  |

—an average of about fifty days.

We respectfully beg to point out that you hardly do this company justice when comparing the speed of our steamers with that of the White Star Line from Melbourne. The steamers of this company's line which have been fixed to carry dairy-produce from New Zealand during the present season will deliver their cargoes at London in an average of forty-two or forty-three days, or in nearly equal time to that taken by the Peninsular and Oriental and Orient Companies' steamers.

While the Victorian butter is all shipped at one port, this company is not only obliged to send its steamers to many ports for cargo, but, in addition, has to pay coastal freight and transshipping charges on a large portion of the butter, these charges averaging together about 12s. per ton. The butter carried by one of our steamers has in some cases been obtained from as many as ten ports.

With reference to your remarks as to the number of loading-ports at which the South African steamers have to call, it may be of interest to state that during the past year the number of ports at which a steamer of this company has loaded in this colony is five, the maximum nine, and the average seven—so that the South African steamers are not at any disadvantage in that respect.

We may say that Shaw, Savill, and Albion Company and this company have entered into contracts with the National Dairy Association of New Zealand to provide a regular fortnightly fast steam service for the carriage of dairy-produce for a period of years, and any proposal which the Government may seem fit to make for a reduction in the rate of freight, either by payment of a subsidy equivalent to the reduction required, or in any other manner, will receive the earnest consideration of the directors of this company.

I have, &c.,

ISAAC GIBBS,

General Manager.

The Hon. the Minister of Industries and Commerce, Wellington.

Office of Minister of Industries and Commerce,  
Wellington, 8th October, 1903.

SIRS,—

I have the honour to acknowledge receipt of your letter of the 3rd instant, referring to the freights on butter from New Zealand to London, in which you request that the matter be allowed to stand over until the full details of the arrangements recently made by the Victorian Minister for Agriculture with the White Star Line are to hand.

This arrangement was entered into some six weeks ago, and I understand there are no details beyond providing an opportunity of shipping butter from Melbourne to London and Liverpool at a freight of  $\frac{3}{4}$ d. per pound.

In the last paragraph of your letter you go further than requesting time to obtain the details of the arrangement referred to above, and state that if it is found that shippers take advantage of the White Star service to any extent you will be glad to discuss any proposals which your Govern-