

No. 21.

The GENERAL MANAGER, Union Steam Ship Company, Dunedin [at Wellington], to the Hon. the POSTMASTER-GENERAL.

Union Steam Ship Company of New Zealand (Limited),
Wellington, 6th July, 1907.

SIR,—

The Secretary of the Postal Department has asked if the company would be prepared to arrange a Friday sailing from Wellington to Sydney throughout the year in connection with the carriage of English mails, and, if so, whether we would look favourably on a payment of £10,000 per annum for providing the Friday sailing, this sum to include payment for the carriage of mails.

We have given the matter very close consideration, and I think it would not be out of place to refer to our experience during the last six months of providing a fortnightly Friday sailing.

During this period the sailing-days have been maintained, and connection with the Federal mail at Sydney has been made, with one exception, when the failure was due to heavy fog in Wellington Harbour and Cook Strait.

Although the service as arranged has been satisfactorily carried out, it has, as anticipated, proved arduous and expensive. It has necessitated extra overtime at at least four ports; the Melbourne-Hobart cargo-service has been impaired; at Hobart considerable trouble has arisen in connection with the steamers having to short-ship cargo for New Zealand ports, to such an extent that the quantity shipped has been affected by about 90 tons a trip, and this, moreover, has not been carried by succeeding steamers, but has gone by other channels; several of the ships have not been able to proceed to Dunedin, but have been obliged to discharge and load their cargoes at Port Chalmers at a cost of 5s. to 6s. per ton; heavier coal-consumption has been necessary on the Hobart-Bluff and Wellington-Sydney sections of the voyage; and the expenses in connection with the foregoing have exceeded the sum paid—namely, £200 per trip—for the Friday sailing.

A sailing every Friday will be more arduous, and the difficulties referred to will be increased. Whereas in the past we have arranged intermediate six-monthly dockings in Melbourne, and occasionally surveys, during the stay in port, it is most probable that when either dockings or surveys are due it will be necessary to replace the steamers, involving, as you will recognise, very heavy expense. It will also not be an infrequent expedient to omit Dunedin as a port of call, unless the Bluff was occasionally missed, a course we are loth to consider.

My company and Messrs. Huddart, Parker, and Co., who undertake a portion of the sailings, are anxious to meet your views, and recognise the public convenience in having a regular weekly service to England, and we shall be willing to undertake the service at the rate now paid—viz., £200 per trip, or, in round figures, £10,000 per annum plus the ordinary gratuities for mails carried at present rates, though we should not be prepared to compound the payment for the English and foreign mails for £50, as we understand that this is considerably less than the present rates work out at.

The foregoing is subject to our original condition that there should be no penalty in the event of failure to connect, though it would be clearly understood that both companies would make every endeavour to secure the sailing and connection arranged for.

I have, &c.,

C. HOLDSWORTH,
General Manager.

The Right Hon. Sir Joseph Ward, Wellington.

[Suez Conn., 07/147.]

No. 22.

The GENERAL MANAGER, Union Steam Ship Company, Dunedin [at Wellington], to the Hon. the POSTMASTER-GENERAL.

Union Steam Ship Company of New Zealand (Limited),
Wellington, 9th July, 1907.

SIR,—

Referring to our interview of to-day with regard to a weekly connection at Sydney with the Federal mail, I have pleasure, on behalf of the Union Steam Ship Company and Messrs. Huddart, Parker, and Co., with whom I have communicated by cable, in accepting your offer of £15,000 per annum for providing a weekly Friday sailing from Wellington to Sydney, it being understood that this sum shall include payment for the carriage of mails and mail-matter, both English and intercolonial, from Wellington to Sydney.

Our acceptance is also subject to the original condition that there shall be no penalties in the event of failure to connect, but it shall be clearly understood that both companies shall make every endeavour to provide the sailing and connection arranged for.

The question of term was not arranged. I would suggest that it should be twelve months.

I have, &c.,

C. HOLDSWORTH,
General Manager.

The Right Hon. Sir Joseph Ward, Wellington.

[Suez Conn., 07/148.]