

No. 5.

The AGENT-GENERAL to the Hon. J. VOGEL.

SIR,—

Hamburg, 14th May, 1874.

Referring to my letter, No. 876, of the 26th December, in which I explained the arrangements I was endeavouring to make for the promotion of emigration from the Continent and Scandinavia, I have now the honor to report as follows :—

1. Mr. Sloman of this city, has undertaken to complete the contract entered into between myself and Louis Knorr and Company, in 1872, subject to certain modifications not of any material importance. The “Reichstag” sailed on the 10th instant for Wellington, with 280 statute adults, and the “Gutenberg” will leave for Canterbury on the 15th June.

2. The deed transferring the Emigration Contract between the Government of Queensland and Messrs. L. Knorr and Co. to the Government of New Zealand, has been duly executed. The number of emigrants to be sent under this contract is equal to 1,600 statute adults.

3. As soon as these two contracts are completed, Mr. Kirchner will commence to carry out the agreement into which he has entered, to procure during the ensuing two years 4,000 emigrants.

4. Mr. Sloman has undertaken to provide tonnage for the conveyance of these 4,000 emigrants, at the rate of £14 per statute adult.

5. I hope to be able to forward you copies of these agreements by the next mail.

I have, &c.,

I. E. FEATHERSTON,

Agent-General.

The Hon. Julius Vogel, C.M.G., Wellington.

No. 6.

The AGENT-GENERAL to the Hon. J. VOGEL.

SIR,—

Hamburg, 14th May, 1874.

Referring to the telegrams that have passed between us relative to the combination of the three shipping firms to raise the rate of passage money from £14 10s. to £16, I have now the honor to lay before you the following statement of the facts of the case :—

1. Immediately on receiving your despatch of the 24th December, 1873, instructing me to give three-fifths of the Government business to the New Zealand Shipping Company, and the other two-fifths to Messrs. Shaw, Savill, and Co., and Messrs. Galbraith and Co., I intimated to Mr. Turner (then Acting Manager of the Company) my readiness to give effect to your instructions.

2. Mr. Turner, after duly considering your proposal, informed me that he was quite unable to take so large a proportion of the business. He very frankly stated, that his Company having scarcely any shipping of their own, he could not possibly command the requisite tonnage; and further, that he felt quite certain that the other two firms would not only decline the share allotted or proposed to be allotted to them, but would commence an opposition that would be ruinous to the New Zealand Shipping Company. Under these circumstances, I offered no objection to his proposal that he should enter into negotiations with Shaw, Savill, and Co., and Galbraith and Co.

3. In a few days he informed me that everything had been amicably arranged—Shaw, Savill, and Co. and the New Zealand Shipping Company were to take four-fifths, and Galbraith and Co. the other fifth, it being understood that the latter firm would retain in its hands the emigration from the Clyde to Otago.

4. On Monday, the 16th February, I saw Mr. Galbraith relative to the Clyde shipping arrangements; and on the same day, at their own request, agreed to meet Messrs. Shaw, Savill, on the afternoon of the following day, and Messrs. Turner and Coster on Wednesday morning at 10.30, it being my intention to deal separately with them.

5. I was therefore extremely surprised, on arriving at my office on Wednesday a few minutes after 10, to find the three firms already waiting for me—Messrs. Shaw, Savill had failed to keep the appointment for the previous day without giving me any explanation. Mr. Savill, who was evidently put forward as their spokesman, commenced the discussion by stating that after having carefully gone into the conditions of the contract between the New Zealand Government and the New Zealand Shipping Company, they had come to submit certain modifications in them. He then proposed that I should guarantee a minimum number of 250 emigrants for the three ports of Dunedin, Lyttelton, and Wellington, and a minimum number of 150 for all other ports. To this I agreed, provided that if the numbers thus guaranteed were shipped, there should be no claim for short shipments in respect of any who might subsequently be promised, and for whom fittings, &c., might have been provided. He then urged that the contract should be for at least six months, pressing strongly for a year. I expressed my willingness to enter into an engagement for four months, with a promise that I would recommend the Government to extend it. “Then,” continued Mr. Savill, “comes the question of price. We have made the most careful calculations, and we find that we cannot possibly carry on the service in accordance with your requirements for less than sixteen pounds ten shillings per statute adult.” (Here there was a regular chorus of assent). Mr. Coster suggested that possibly it might be done for £16.