

III. AS TO REVENUE.

1. *Passage-money.*(i.) *Saloon and Second-cabin Passengers.*

In the Galbraith-Denny estimates of 1878 the rates of passage-money were put down somewhat in excess of the usual charge from London to Melbourne. The saloon price was stated at £70, and the second cabin at £35, both outward and homeward. In the calculations I have made for a postal service I have been content to adhere to these figures; but it must be remembered that, between return tickets and arrangements sure to be made with families, more or less reduction is likely to take place in these rates.

As to the number of cabin passengers that might be depended upon for each voyage, this is necessarily conjectural. It will be well, therefore, to look at the actual numbers that have sailed for New Zealand by the existing lines of sailing ships for some time past, so that from these you may judge how far it may be necessary to correct my estimate of passengers for direct postal steamers. This I shall presently do. For the immediate purpose of this section it will be enough for me to say that I assume we might fairly expect fifty saloon and forty second-cabin passengers by each outward ship, and forty saloon and thirty second-cabin on each homeward voyage. In 1878 Mr. Galbraith thought he might have seventy saloon passengers by each two-monthly vessel, but this is too high an estimate monthly; he, however, only put down twenty-five second-cabin passengers, which may, on the other hand, be taken to be rather too low.

(ii.) *Steerage Passengers.*

In the scheme of 1878 the rates were put down at £18 outward and £20 homeward. £18 is, however, too high, and I am only taking them at £15 outward, and £20 to £25 homeward.

As to the number of steerage passengers, the question depends entirely on the extent to which the colony may choose to continue free or assisted emigration. It was assumed in the proposals of 1878 that the Government would guarantee a number equal to 450 adults by each ship; but this was out of the question. Later on, the figures I shall give, showing the number of steerage passengers who have paid their own passages in sailing ships, will enable you to form a tolerably accurate judgment on the numbers of that class likely to sail by direct steamers. For the present purpose I am assuming that the Government will continue a moderate amount of assisted immigration, and, if so, it would not be unreasonable to say that, between Government immigrants and persons paying their own passage, each outward ship might be expected to take out a number equal to 300 adults, while perhaps fifty might come in the homeward ship.

2. *Freight.*

As the scheme of 1878 contemplated the large number of 450 statute adults in the steerage, there was only space left for 900 tons of cargo outward, and this was put down at the rate of 70s. per ton. The homeward ship with wool was estimated to take 2,000 tons (measurement) of wool in grease at a freight of $\frac{3}{4}$ d., and about 500 tons of washed at $\frac{3}{4}$ d.; if loaded with wheat, about 2,100 tons (weight) at a freight of 45s.

My estimate for the outward cargo of a postal ship, where not more than space for 300 steerage passengers would have to be reserved, was about 3,300 tons. As to the rates, the details I shall give later on about freights to both Australia and New Zealand will enable you to form your own opinion upon the scale that might be expected for a direct steamer now. I do not wish to make any sanguine estimates myself, but I see no reason why direct steamers to New Zealand should not obtain as much, for fine goods at all events, as steamers to Australia now do; which means, for the more valuable portion of this class of goods, that the rate might be as high as from 60s. to 100s. I have wished, however, to name only a reasonable average rate, and I think it would be safe to take about half of the outward cargo (or, say, 1,500 tons) at an average of 70s., and the rest of the space at 30s. to 50s. per ton.

With regard to homeward freight I feel on somewhat surer ground. The ships which loaded with wool would have about 4,000 tons of cargo space available after deducting what was required for passengers and stores. But it is only in the case of steamers sailing at dates enabling them to get home in time for a particular wool series that even a fast postal line could safely be expected to get $\frac{3}{4}$ d. over sailing rates: at all events, I have only put down 3,000 tons measurement of wool in the grease at a freight of $\frac{3}{4}$ d., and 1,000 tons measurement of washed wool at $\frac{3}{4}$ d. The ships loading with grain would be able to take about 2,200 tons of wheat, and I estimate that freight at not more than 45s. per ton. The calculations on which these figures are based would be interchangeable in respect of ships that carried both wool and grain; but, whether freighted with the one or the other, I am assuming that they would all be full up; and I am leaving out altogether exceptional years, such as the one in which I myself sent wheat home at less than 30s. a ton. In the scheme of 1878 it was only supposed that two of the ships would come home with wool, and that for the rest of the year they would have to depend on grain. Since that time the development of the trade in refrigerated meat and dairy produce has added a new feature to shipments that will be made from the colony. I shall give, later on, some details in reference to this, but for my present purpose it is not very material to take it into account as an alternative, because, whatever might be the extent to which meat and dairy produce caused a displacement of wool or wheat, the total freight-money would not be very materially affected.

3. *Total Revenue of the Year.*

The estimates of 1878 brought out £118,000 as the total earnings of the ships in the year. I have found it very difficult to come to a definite conclusion as to what can safely be put down as the total revenue in the case of a postal line, because a very slight difference in the rates of freight on each voyage would come out in thousands at the end of the year's work. As regards expenditure I am afraid there is more risk of its being greater, than chance of its being less, than I have put down. Income, on the other hand, could only be increased in two ways: there might happen to be more saloon and second-cabin passengers out and home than I have supposed; but there is no room for increase in