

of the passage depends upon time occupied at calling-ports loading and discharging cargo, coaling, &c.; also upon the weather experienced. As an instance, I may mention that on the present occasion we had to keep our Monday steamer, the "Takapuna," till yesterday (Wednesday), and eventually she came away yesterday afternoon, without the mail. This causes great inconvenience to the travelling public. We have been very successful for many years in delivering the mails up to time, and the criticism that has been aroused over the one or two delays lately is evidence that they are of rare occurrence, because it shows that the public are accustomed to the mails being in close to time. If I may be permitted I would like to say here that I do not sympathise with the agitation in favour of extremely high speed for mails where heavy subsidies are required to support the steamers. It seems to me that all that should be aimed at should be to secure a fair speed, such as is required for commercial purposes, and that the subsidy should be merely for the purpose of securing punctuality in arrival and departure, so that the mercantile community can rely upon the dates, and make their business arrangements accordingly. A great deal too much also is made of a chance delay of an hour or two in forwarding English mails on the coast—far more than their importance warrants. I may tell you that no special arrangements are made for the carriage of the English mails on the Australian side. Mails for Victoria, New South Wales, and Queensland are landed at Adelaide for conveyance by train. If it happens that they are an hour late for the afternoon's express they remain in Adelaide till next afternoon. In like manner, if they should arrive in Sydney on Friday night or Saturday morning, there being no train from Sydney for Brisbane on Saturday night, they remain till Sunday night.

50. What payment is made by the colony for the San Francisco mail?—Payment is by weight. The amount for homeward mails is estimated at £7,500, and we are guaranteed that sum. For the outward mails the freight is estimated to amount to £2,500 or £3,000, now that the mails are divided between the San Francisco and Vancouver services.

51. What is paid to the company by the United States?—At the rate of £28,000 per annum.

52. An annual vote?—Yes. The aggregate mail payments received by the San Francisco mail service are approximately: From the United States, £28,000; from New Zealand, £10,000; from New South Wales and other colonies, £5,000: total, £43,000. You will thus see that the New Zealand contribution is by no means the most important factor, and that if a faster service is required a proportionate increase of subsidy will fall heavily on New Zealand, unless the other contributors join in proportion.

53. From clause 3 of the draft contract, which has been submitted to us for consideration, I see that the general cargo rate to San Francisco is £2 10s. to £3 per ton of 40 cubic feet; while from San Francisco to Auckland the general rate is \$8 to \$10 for 40 cubic feet measurement, showing a charge of from £2 10s. to £3 per ton in the one case, and from £1 12s. to £2 2s. in the other. What is the reason?—The quotation for general cargo from Auckland to San Francisco is practically nominal. But little general cargo is shipped, and the shipments as a rule consist of skins and hides, and occasionally flax. The bulk of the trade is from San Francisco, and varies according to the class of goods and the quantity.

54. Do you think it would foster the trade if the rates were reduced to the same amount both ways?—I do not think so. The rates are not absolutely fixed; they are subject to revision from time to time to promote trade. In fixing rates of freight we keep in view the necessity of encouraging and fostering trade.

55. Do you find that the trade is confined to the Auckland district, or that it is a general New Zealand trade? That is, are your exports from the Auckland district or New Zealand generally to America?—I am not able to answer that question definitely from memory. My impression is that the bulk of the shipments go from Auckland, except in the wool season, when shipments go from the south. I am sanguine that the time is not far distant when there will be a market in San Francisco for many of our products. So far America has been able to produce for itself nearly everything we produce, but the population in America is increasing rapidly; the area of producing districts is diminishing, and I think it likely that before long they will require more of our products, as is the case with the populous countries in the old world.

56. Can you indicate any trade that is likely to arise and might be placed upon record?—I allude to different food products, and also to raw material for manufacturing purposes.

57. *Mr. Buchanan.*] Fruit?—Not fruit, though we have sent apples to San Francisco from Australia in the off-season with some success.

58. *Mr. McLean.*] Much wool?—Not for consumption in San Francisco. Some wool goes by that route, but it goes right across to Boston.

59. *The Chairman.*] If, when the arrangements are completed in connection with the Hawaii, the Americans impose their shipping-laws and refuse to allow you to take trade between Honolulu and San Francisco, how will that affect your ship?—It will affect the earnings of our steamer materially. Our vessel happens to be a very favourite one between Honolulu and San Francisco, and carries a considerable number of passengers.

60. You have been informed about their applying that particular law?—No, we have no indication at present. I have some hope that it will not be put into force, at all events for a time.

61. Have you any suggestion to make to the Committee on this question of risk to your vessel being stopped in the trade to Hawaii from San Francisco, whereas the American boats can trade between Auckland and San Francisco as before? Do not you think the Imperial Government might produce the same effect by some decision which would affect the American trade?—You refer to some retaliatory measure?

62. Yes?—It is very unlikely that the Imperial Government will create any legislation to meet this particular case. It would mean a complete alteration of their whole policy.

63. *Mr. Buchanan.*] In view of foreign possessions obtained by the Americans as the result of their Spanish war, would they not be likely to modify their regulations with regard to foreign shipping?—That is what I had in my mind when I said just now that it is just possible their navigation laws may not apply.