

64. You have found indications of better treatment since the institution of the Vancouver service? Is the United States alarmed at the prospect of losing some of her trade?—It has made no difference as far as I can see in the policy of either the railroads or the Government.

65. But Congress might be a little more liberal so as to be able to compete with the Vancouver route?—I do not think much importance is attached to that.

Union Steamship Company of New Zealand (Limited),
Christchurch, 28th October, 1898.

DEAR SIR,—

As requested, I forward some notes on the suggested modification of the time-table of the San Francisco service, with a view of allowing the mails to reach Invercargill and replies to go forward by the first outgoing mail.

While the Frisco service continues to be a monthly one this can only be accomplished in one of two ways—by delaying despatch of the outward steamer under the present schedule, or by substituting faster steamers on the Pacific.

Under the present schedule there is an interval of four days between the arrival of the inward mail at Auckland and the departure of the outward mail, while the steamers have twenty-two to twenty-three lay-days in Sydney and fourteen lay-days in San Francisco. The departure of the outward steamer could be delayed four days so as to leave Auckland on Wednesday instead of Saturday, and connect with the Cunard boat from New York on Saturday instead of the White Star boat on Wednesday. The grave objection to this is that it would increase the steamers lay-days in Sydney by four days and reduce them in San Francisco by a like number. With only a monthly service ten lay-days in San Francisco does not afford sufficient time to allow the steamer to discharge cargo, load bunker-coal and return cargo, nor does it afford time for manufacturers executing orders received by the same mail. The alternative is to substitute faster steamers doing the journey between San Francisco and Auckland in seventeen days, at an average speed of 15 knots, as against the present service of nineteen days with an average speed of $13\frac{1}{2}$ knots. Two days would thus be gained in the arrival and also in the departure, which would give the necessary time for distributing the mails to the South. A much larger subsidy, however, would be required for such a service, and a contract for a period of seven to ten years, to justify a shipowner in building or buying expensive steamers of the class required.

In either case the cost of distributing mails on the coast would be greater than at present, as special steamer and train connections would be required, and I need hardly point out that the frequent departure from the regular sailing-days of coastal steamers through the irregularity of the mails is productive of loss to the steam company and serious inconvenience to the travelling public. It is, to my mind, extremely doubtful whether the convenience of a limited number of individuals in the extreme portion of the colony justifies the extra cost to the colony and the serious inconvenience and loss to a great number of people through the interference with the regular time-table steamers.

Another alternative which I would submit for the consideration of the Committee, is the substitution of a fortnightly service from San Francisco instead of the present four-weekly. This would undoubtedly be the most effective and satisfactory mail-service for the colony. It could be carried out with five steamers—i.e., two more than at present; and you will note from the attached sketch time-table that it would just afford the required interval of eight days between the arrival of inward mail at Auckland and the despatch of the outward one. The lay-days in Sydney would be reduced to thirteen, and in San Francisco to ten. The latter would probably be sufficient in the case of a fortnightly service, as the quantities of cargo naturally would not be so large, and in case of goods not being ready for shipment by the return steamer, they would only have to wait another fortnight instead of a month.

Such a service would satisfy all the requirements of the colony for a few years, and could be obtained at a moderate outlay, and with a short contract of, say, a period of five years, seeing that not more than the present speed of $13\frac{1}{2}$ knots would be required.

With regard to the suggestion that Wellington should be substituted for Auckland as the port of call for the Frisco mail-steamers, I cannot see that any advantage would be gained by this. The extra distance to Wellington is three hundred miles, involving an extra twenty-four hours steaming. The Frisco steamers, which now arrive in Auckland on Tuesday afternoon, would not reach Wellington till Wednesday forenoon or, at times, Thursday morning, and the outward mail, which now leaves Auckland on Saturday at 2 p.m., would have to be despatched from Wellington on Thursday evening: much the same as at present, and affording Wellington people little advantage over the present arrangement, and offering no advantage to ports south of Wellington, while it would deprive Auckland of the advantage they now possess. With Auckland as the port of call, the mails can be delivered at Wellington under favourable circumstances, *via* New Plymouth, in twenty-eight to thirty hours from the time of arrival of the mail-steamer at Auckland, while if the call at New Plymouth were omitted the time would never exceed this, and under ordinary circumstances would probably never exceed twenty-seven hours.

I trust the information I have given here will meet the requirements of the Committee. I am sorry I am not able in the time at my disposal to prepare a sketch time-table on the suggested fifteen-knot service. However, you will no doubt be getting this from the Secretary of the Post Office.

In response to the invitation that I should express my own opinion in a general way, I may say it must be evident that the route *via* San Francisco is the most expeditious for our mails. In view of this, and also of the great promise of intimate friendly relations between the Mother-country and America, the connection between this colony and America should be improved and made more permanent. With this in view, we should aim at a fortnightly service *via* San Francisco, as I have already suggested. The service could be carried out satisfactorily for a few years with