

162. Then was an incentive not created by the establishment of this line of steamers to the west-coast ports to either induce or compel all the steamship companies trading between New Zealand and London to put some of their steamers on the berth for the west-coast ports of the United Kingdom from New Zealand?—Yes.

163. And would it not be infinitely better for all classes of producers or exporters to have the opportunity, in addition to the west-coast service, of shipping their goods to the west-coast ports of the United Kingdom by any of the lines that formerly made London their only direct port of call in England?—Yes.

164. Is it not a fact, as shown by the Agent-General, that prior to the contract for the west-coast service being entered into, the producers of frozen mutton and lamb have had to pay over $\frac{1}{2}$ d. per pound additional for railage from London to Liverpool, independently of cartage, when shipping their produce by the steamers that only went to London?—Yes.

165. Is it not the case that rabbit-shippers, according to the Agent-General, had to pay an additional £1 5s. per ton railage from London to Liverpool by the steamers going to London and not to the west-coast ports?—Yes.

166. Is it not only a reasonable deduction, but also a matter of every-day practice in business, that so long as there is no competition to cause a diversion of the direct steamers trading between New Zealand ports and London, the steamship companies save a very large sum annually, and that they have saved a large sum annually by not sending their steamers round to the west-coast ports of the United Kingdom?—That is so.

167. Judging by the cost of the railage that the producers of the colony have had to pay both on frozen meat and rabbits from London to the west-coast ports, the saving must have been a very large one, or the conditions of that branch of trade would surely have been long ago met by the direct steamship companies?—Yes.

168. That is a reasonable assumption?—Yes.

169. Now, I want to ask you a question or two with regard to outward cargo to New Zealand: Was it contemplated when the Government was trying to get—and I may say that we did not contemplate getting any tender on satisfactory terms—this service, that we should also be able to arrange for a return cargo service from the west-coast ports of the United Kingdom to New Zealand?—No; that was never considered in the first instance.

170. Is it not a fact that the whole object was to endeavour to secure for the producers of the colony lower freights, and to save them the handling-charges and deteriorating effects caused by the double handling at the Port of London?—Yes.

171. Is it within your knowledge that the Manchester Corporation and the Manchester Dock Trustees have been urging for years a direct service between New Zealand and Manchester?—Yes, that is so, and I think Bristol as well has made similar representations.

172. Do you know whether the Canadian Government, since the establishment of this service, have followed the footsteps of the New Zealand Government by doing the same?—Yes.

173. Am I right in saying that the colony has secured a regular steamship service to Liverpool, Glasgow, Cardiff, Bristol, and—voluntarily offered by the contracting company—Manchester—without any subsidy being paid by or at any cost to the colony?—Yes.

174. And do I understand you to say that a further port has since been offered?—Yes; the company have included Barry in their ports of call, but I do not say that it is permanent.

EXHIBIT "A."

RETURN showing the Number and Tonnage of Sailing-vessels that arrived in the Colony direct from Liverpool or Glasgow with Cargo during the Year 1903.

Port of Arrival.	From Glasgow.		From Liverpool.	
	Number.	Tons.	Number.	Tons.
Wellington	1	1,292	7	8,766
Lyttelton	1	1,581	2	1,310
Dunedin	6	7,021	1	1,040
Other ports	...	...	...	...
Total	8	9,894	10	11,116

Department of Trade and Customs,
Wellington, 26th September, 1904.

W. T. GLASGOW,
Secretary and Inspector.

Approximate Cost of Paper.—Preparation, not given; printing (4,000 copies), £27.

By Authority JOHN MACKAY, Government Printer, Wellington.—1904.

Price 1s. 3d.]

5—I. 10.