PROPOSED ALL-RED ROUTE. THE

No. 137.

The High Commissioner to the Hon. the Prime Minister.

Westminster Chambers, 13 Victoria Street, London S.W., 13th December, 1912. SIR.-I have the honour to enclose copy of a letter I have received from Mr. C. N. Armstrong, managing director of the Imperial Steamship Company (Limited), covering copy of the communication addressed by him to the Right Hon. H. H. Asquith, the British Prime Minister, with regard to the establishment I have, &c., Thos. Mackenzie. of an All-red steamship service.

The Hon. the Prime Minister, Wellington, New Zealand.

[Acknowledged, 3rd February.]

[P.O. 13/176(1).]

Enclosure in No. 137.

Mr. C. N. Armstrong, Managing Director, Imperial Steamship Company (Limited), London, to High COMMISSIONER.

The Imperial Steamship Company,

SIR,-

Winchester House, E.C., 9th December, 1912.

The group which for several years has promoted the All-red fast steamship service between Great Britain, New Zealand, and Australia via Canada, and which has been incorporated by special Act of the Parliament of Canada under the name of the "Imperial Steamship Company, has decided to make a special effort to carry out the enterprise without further delay.

The company has approached the British Government through the Prime Minister, and I now enclose a copy of the communication addressed to him by the company, copies of which have also been

sent to the High Commissioner for Australia and to the Prime Minister of Canada.

In view of the approaching visit of the Hon. Mr. Foster to Australia, might I suggest that some representation be made by you to the Government here as to the desirability of prompt action. If the matter is left for the Dominions Commission to report on, it may be laid up for a year or two longer.

We have kept our group together for six years, but people get tired of such long delays, and it is hoped that action will now be taken, and that while he is in Australia Mr. Foster may be able to come

to an understanding with your Government.

We desire to call special attention to the question of arming the Pacific steamers, so that in case of war they would be of great assistance in guarding the route between Australia, New Zealand, and Canada. The five steamers which will inaugurate the service can be subsidized by the three Governments according to arrangements. I would suggest that New Zealand, Australia, and Fiji each subsidize one and Canada two. I am, &c.

C. N. Armstrong, Managing Director.

The High Commissioner for New Zealand, 13 Victoria Street, London S.W.

Sub-enclosure in No. 137.

Mr. C. N. Armstrong, Managing Director, Imperial Steamship Company (Limited), to the Hon. the PRIME MINISTER of Great Britain.

London, 9th December, 1912. Sir.—

During the Imperial Conference of 1907 a group of firms and individuals interested in improving the facilities for travel, and more particularly the carriage of mails between Great Britain, New Zealand, and Australia via Canada, submitted a proposal for the establishment of a fast mailservice between these parts of the Empire.

It is unnecessary to refer to the discussion that took place, but I need only say that a favourable resolution was passed, and the question was referred to a Cabinet Committee to inquire into the cost

of establishing such a service.

The group above referred to, which has since been incorporated by a special Act of the Parliament of Canada into a company under the name of the "Imperial Steamship Company," submitted full details, estimates, and reports to the Cabinet Committee, and representatives of the group attended a number of the meetings and gave evidence. The group was ready at all times, and the Imperial Steamship Company is now ready, to enter into a contract to supply the service on the terms submitted to the Conference of 1907, and repeated to the Conference of 1911. It was hoped that the latter Conference would have definitely dealt with the proposal, but instead of doing so it was referred to the Dominions Commission.