

Postmaster-General of New Zealand for the time being, or at any other port of call of such vessels under this contract (including the Port of Sydney if the service is extended as aforesaid) by or on behalf of the postal authority having jurisdiction at such port of call, and shall deliver all such mails at their respective proper ports of destination upon the sailing-route of the said vessels respectively as herein indicated.

5. The Company shall be at liberty during the term of this contract to enter into a contract with the Government of the Commonwealth of Australia (provided such contract shall not interfere with the service intended to be hereby created) for the payment by such Commonwealth to the Company for its own use of a subsidy in respect of the service hereby agreed to be provided. So long as no such subsidy is paid by the Commonwealth of Australia, the Company shall give to New Zealand shippers the first refusal of all space for freights in the vessels used under this contract, and in each year on some date not earlier than the first day of September nor later than the fourteenth day of October, such date to be fixed and sufficiently advertised by the Company after consultation with the Secretary of the Department of Agriculture, Industries, and Commerce, the whole of the cold-storage space shall be available to New Zealand shippers for New Zealand shipments to be made up till the thirty-first day of August of the following year. After the date so fixed by the Company any balance of unallotted space shall be available for New Zealand shippers until thirty days before the vessel is appointed to leave Sydney, the Company to be at liberty to allot to other shippers all space not engaged by New Zealand shippers in accordance with this clause: Provided always that the Company shall not give undue preference to individual New Zealand shippers to the exclusion of other New Zealand shippers. If during the term of this contract the Company arranges for the payment of a subsidy by the Commonwealth of Australia as above mentioned, then the Company shall give to New Zealand shippers the first refusal as above mentioned of such portion of the said space as shall be agreed upon between the Postmaster-General and the Company, and all the provisions of this clause shall apply only to such portion of the said space. If the Postmaster-General and the Company shall be unable to so agree, then the question as to what portion of the space New Zealand shippers shall have the first refusal of as aforesaid in view of the contract entered into or proposed to be entered into with the Commonwealth of Australia shall be referred to arbitration under the provisions of clause 39 hereof, and the determination under such arbitration shall be final and conclusive.

6. Every vessel, other than a temporary substitute vessel as may be approved by the Postmaster-General, used under this contract shall be fitted with cool-storage chambers, in which dead meat or other perishable products may be carried or conveyed, of a capacity of not less than thirty thousand cubic feet in the steamship "Tahiti," fourteen thousand cubic feet in the steamship "Moana," and ten thousand cubic feet in the steamship "Aorangi"; and when the two latter vessels are permanently replaced by two other vessels such vessels shall each be fitted with cool-storage chambers of a capacity of not less than thirty thousand cubic feet, and such cool-storage chambers shall be fitted with all necessary appliances and machinery for working and keeping the same effective.

7. All of such vessels so employed shall each, according to its capacity, carry all the freight and passengers which may be reasonably offered or obtained, and at tariff rates, both as to passengers and freight, not exceeding the rates hereinafter set forth, that is to say,—

Passenger Rates.

From Wellington—

To Rarotonga and Papeete, and *vice versa*.—Not to exceed proportionately, on the mileage basis, the rates from time to time in operation by the Vancouver steamer between Auckland and Suva.

Wellington—

To and from San Francisco—Not exceeding: Saloon—single £40, return £60; second class—single £25, return £40; third class—single £16, return £30.

From and to other ports of New Zealand.—Ordinary coastal fares from or to Wellington in addition to the above.

Freights.

From Wellington—

To Rarotonga and Papeete—The same rates as charged from time to time by the Company's local steamers will apply by the mail-steamers.

To San Francisco, not to exceed—General cargo, 50s. to 60s. per ton of 40 cubic feet; skins, 50s. per ton of 2,000 lb.; butter, in refrigerator, $\frac{7}{8}$ d. per pound gross from the date of the signing of this contract until the thirty-first day of March, one thousand nine hundred and sixteen, and $\frac{3}{4}$ d. per pound gross from the first day of April, one thousand nine hundred and sixteen; meats, in refrigerator, $\frac{3}{4}$ d. per pound gross.

Maximum freights Wellington to San Francisco—

Wool, greasy, $\frac{1}{2}$ d. per pound; wool, scoured, $\frac{5}{8}$ d. per pound; phormium-fibre, 60s. per ton of 2,240 lb.

It is agreed that the rates of freight on skins, wool, and phormium-fibre refer to this class of cargo when dumped.

From Rarotonga to Wellington—General cargo, 40s. per 40 cubic feet; fruit, in cases, not to exceed the rates from time to time ruling from Fiji to Wellington by local steamers.

From San Francisco to Wellington—General cargo, \$8 to \$16 per 40 cubic feet; canned goods, \$8 to \$10 per 40 cubic feet; salmon, \$8 to \$9 per 40 cubic feet; wheat and flour, \$6 to \$8 per 2,000 lb.

An additional rate of not exceeding 13s. 6d. per ton to and from other main ports of New Zealand shall be chargeable, which includes transshipment expenses at Wellington.