

From HIGH COMMISSIONER FOR NEW ZEALAND to Right Hon. the PRIME MINISTER. 13th February, 1915.

Referring to your telegram of 9th February, referred to in my telegram of 11th February, with reference to six vessels proceeding to New Zealand via Australia: These vessels may be seized by Government of Australia. I could have arranged with shipping companies at certain nominal price per ton to have commandeered their vessels here, but Admiralty advised me such course would be no protection against vessels entering Commonwealth waters.

After fullest inquiry into every means of securing these ships I find the only course open is to obtain assurance from Commonwealth that they will not be interfered with while proceeding through Australian waters to New Zealand.

In reference to other vessels leaving in the future, if New Zealand is to secure them in order to prevent their taking cargo to Australia and risking seizure by Commonwealth, I submit that I be authorized to enter into negotiations with shipping companies on basis of rate per ton, ships to go out to New Zealand direct in ballast. Also, in addition, an increased freight on meat to be authorized.

From Right Hon. the PRIME MINISTER to PRIME MINISTER OF COMMONWEALTH OF AUSTRALIA. 13th February, 1915.

The following steamers are, I understand, on their way to New Zealand via Australia: "Karamea," "Arawa," "Kumara," "Pakeha," "Rangatira," and "Waiwera." I sincerely beg of you that nothing will be done to prevent them continuing their voyage after discharge of cargo in Australia. The position here in respect of getting our frozen meat exported is so serious owing to want of ships that works are being closed down, hands must be discharged, and producers' financial position will be seriously embarrassed. My Government has at the general expense of the country made special arrangements for bringing vessels out in ballast in order to avoid delay in outward loading for Great Britain, and is prepared to continue this policy if ships are available and terms reasonable. The unfortunate position New Zealand finds itself in is due to the continued drought, the commandeering of so many insulated steamers for transport of troops, loss of "Kaipara," and other causes. It is reported to me that there is now in freezing-works enough meat to at once load five steamers. It has been suggested that the transports "Verdala" and "Knight of Garter," which are specially fitted for troops and are shortly due in London, could be exchanged for two of the New Zealand insulated transports which are under orders to return to Australia.

From PRIME MINISTER OF COMMONWEALTH OF AUSTRALIA to Right Hon. the PRIME MINISTER. 22nd February, 1915.

With reference to your telegram of 13th February: It is not intended to intercept any of six steamers named therein. In respect to offer to substitute transport for insulated steamers, most pressing need at present is for ships carrying infantry, for which purpose "Verdala" and "Knight of Garter" are considered unsuitable. Congestion of frozen meat still being very acute here precludes possibility of releasing any insulated steamers for New Zealand requirements.

From Right Hon. the PRIME MINISTER to HIGH COMMISSIONER FOR NEW ZEALAND. 23rd February, 1915.

With reference to your cablegram of 12th instant: Prime Minister of Commonwealth now advises, firstly, not intended to intercept any of six steamers named; secondly, "Verdala" and "Knight of Garter" not considered suitable for infantry.

From Right Hon. the PRIME MINISTER to HIGH COMMISSIONER FOR NEW ZEALAND. 9th February, 1915.

Ascertain present whereabouts and what trade engaged in all refrigerated steamers owned or chartered by Shaw-Savill, New Zealand Shipping Company, Commonwealth and Dominion, and Federal Houlder Lines. Cable information.

From HIGH COMMISSIONER FOR NEW ZEALAND to Right Hon. the PRIME MINISTER. 11th February, 1915.

It appears to me whole question of provision for tonnage must be dealt with comprehensively, and suggest you come to some arrangement with shipping companies as to sufficient number their vessels being confined to New Zealand frozen-meat trade. Apparently companies are not anxious for New Zealand frozen meat, freights which, I understand, $4\frac{1}{2}$ per cent. below Australian. Have reason to think Commonwealth making provision including 1916. Am asking shipping companies what they are prepared to do. Am informed "Waimana" has been diverted River Plate traffic, freight terms being better.