

(No. 43.)



1884.

PARLIAMENT OF TASMANIA.

DIRECT STEAM SERVICE:

CORRESPONDENCE.

Presented to both Houses of Parliament by His Excellency's Command.



DIRECT STEAM SERVICE TO GREAT BRITAIN.

CORRESPONDENCE WITH MESSRS. MACFARLANE BROS. AND COMPANY,
AS REPRESENTING THE ORIENT STEAM NAVIGATION COMPANY.

New Wharf, Hobart, 23rd July, 1883.

SIR,

REFERRING to our interview of this date, I have the honor to inform you that negotiations are now pending between the Government of New South Wales and the Orient Steam Navigation Company for bringing out immigrants by the steamers of the latter Company. In the event of these negotiations resulting in definite arrangements, the steamers bringing the immigrants would be available for calling at Hobart *en route* for Sydney, if your Government can offer sufficient inducement for them to do so.

The New South Wales Government will doubtless be in a position to decide definitely within next few weeks; meantime it would materially tend to advance the scheme if your Government could favour me with some indication of their views—whether the inducement, if it be deemed desirable to offer it, would take the form of a subsidy or a guaranteed number of immigrants, or both.

It is proposed that a monthly steamer be devoted to the above service; and it is unnecessary for me to point out the many and great advantages that would accrue to this Colony from a regular monthly connection with England by the first class passenger vessels of the Orient line.

I have the honor to be,

Sir,

Your most obedient Servant,

G. SKELTON YUILL.

The Hon. WILLIAM MOORE, Chief Secretary.

FORWARDED for the consideration of the Hon. the Premier.

WM MOORE.
31st July, 1883.

Elizabeth-street and New Wharf, Hobart, 28th July, 1883.

DEAR SIR,

In our conversation to-day on the subject of inducement to the Orient Company to make Hobart a first Colonial port of call by a special service, I did not touch on the advantage of thus attracting a most desirable class of immigrants who bring money in their pockets and pay their own passage without expense to the Colony. This class, owing to the speed and regularity of the voyage out and the comforts provided, have, instead of going to America, been within the last few years increasingly attracted by the Orient Company; and, as evidence, I point to the fact of five to seven hundred passengers being now brought every fortnight from England by this Company. These passengers almost all pay their own passages, send favourable reports home to their English friends, and thus a large and valuable connection has been established; and as New South Wales recognises this, and proposes in a great measure to abandon sailing vessels, it is not too much to expect that in a short time Tasmania would get as many immigrants as she required, without expense.

I am, &c.

W. R. GIBLIN, *Esq.*

JAMES MACFARLANE.

Premier's Office, Hobart, 6th August, 1883.

SIR,

WITH reference to the interview of Mr. Yuill and yourself with the Chief Secretary on the 23rd July, and your interview with me on the 28th July, as to the proposal to make arrangements with the Orient Steamship Company to make Hobart the first Colonial port of call in connection with their proposed monthly steam service to Sydney, I now desire to inform you, as representing the Orient Company in Hobart, that this Government is fully alive to the advantages which would naturally accrue from the establishment of such a means of bringing passengers, immigrants, goods, and mails expeditiously from England to Tasmania. We should therefore be prepared to recommend to Parliament a subsidy for the conveyance of mails, and, further, would endeavour to arrange that all emigrants from Great Britain to Tasmania should come by this route.

In order to enable Ministers to formulate some proposals with regard to this Service, or to decide upon any which the Orient Company may desire to make, I should be glad to be informed—

1. Whether it is suggested that the steamers should call at Hobart only on their outward route, or on the homeward also? This point is of the utmost importance.
2. The time to be occupied in making the voyage from London to Hobart, and on the return trip?
3. The minimum and maximum number of immigrants to be carried each month on the outward trip, and the rate of passage to be paid for same?
4. The amount of mail subsidy required?

I have, &c.

W. R. GIBLIN.

JAMES MACFARLANE, Esq.,
Macfarlane Bros. & Co., Hobart.

71, Macquarie-street, and New Wharf, Hobart, 6th August, 1883.

SIR,

I BEG to acknowledge receipt of your courteous letter of this date on the subject of making Hobart a first Colonial port of call of the proposed monthly special service to Sydney of the Orient line.

As mentioned in the Manager's letter to the Chief Secretary of the 23rd ultimo, the Company in making this suggestion are desirous of learning the inducement to call here that Tasmania can offer, in addition to the limited trade, whether in the form of emigrants or subsidy.

As the Government, however, desire first the views of the Company, I will, as soon as arrangements now in progress with New South Wales allow them to be arrived at, have pleasure in laying them before you.

I have, &c.

JAMES MACFARLANE.

To the Hon. W. R. GIBLIN, Premier.

Elizabeth-street and New Wharf, Hobart, August 14th, 1883.

SIR,

ENCLOSED you will find slip from the columns of the *Sydney Morning Herald* of 6th instant, showing the progress made in negotiations with the Orient Steam Navigation Company. The information has been supplied by the New South Wales Government; and from a leading article of next day (enclosed) you will note the reasons for the favourable public view taken in New South Wales of the proposed special Orient Service.

Mr. Yuill advises me he only now awaits a decisive reply to his last cablegram to London to be able to reply in detail to your questions.

I have, &c.

JAMES MACFARLANE.

To the Hon. W. R. GIBLIN, Premier.

(Sydney Morning Herald—August 6th, 1883.)

ON Saturday the Hon. Alexander Stuart had a long interview with the Agents of the Orient Steamship Company with reference to employing their vessels for immigration purposes, and though the interview did not result in a definite agreement the negotiations have assumed such a form that the Government have been able to telegraph to England upon the subject, and there is no doubt that the matter will be brought to a practical issue. The immigrants will not be carried by the ordinary steamships belonging to the Company which come through the Suez Canal, but they will be brought by steamships specially set apart for the conveyance of cargo and immigrants, and

they will come to the Colony *viâ* the Cape of Hope, or *viâ* the Cape and Tasmania if the Tasmanian Government join in the project, which, we understand, they are inclined to do. This route will do away with the necessity, which when passing through the Suez Canal is incidental to a voyage from England, of calling at various ports, and encountering the hot weather of the Red Sea. In no case in which a steamer is carrying immigrants will there be conveyed any passengers but those who take berths in the saloon. The second-class saloon will be specially set apart for the accommodation of the single women immigrants, and generally the arrangements will be similar to those which are observed under the existing regulations with regard to immigrant sailing ships.

(August 7th.)

Something good may yet come of the complaints which have been made, and the suggestions which have been offered, concerning our present methods of bringing out immigrants. The Orient Company is willing to look at the business, and so is the Premier. There is an evil to be remedied, and it is a very serious one. The present long passages are found to be fraught with dangers easily escaped by short ones. Towards the end of a voyage of 100 days, more or less, fevers and other contagious and deadly diseases sometimes break out, and carry off persons who under better conditions would have been landed here in health. It may be that protracted inactivity on the part of persons who have known little of idleness, change of diet, and plenty of it, have induced much of the mischief recorded. If so, the best remedy is to shorten the time of a voyage if possible; and in addition to that, to bring out immigrants in vessels better adapted to secure comfort and health. The death of a single passenger, young or old, is bad enough; but the repetition of these accidents gives a bad tone to our system, and makes it a terror to the classes which we desire to secure. It is an easy thing to create a sentiment of horror in the mind of the British workman. He has, possibly, never seen the ocean; he has heard of its perils, and that is enough to make him forswear emigration. But if, in addition to the natural incidents of the sea, he is informed of the sufferings and death of men like himself who have been rash enough to try the experiment, it fixes him at once, and for life. In this way we have already missed many persons of the best stamp, and in their stead sometimes got such as were not at all desirable. The Orient liners would bring a good number at one time—a fact of some importance as to economy and as to the formation of a healthy tone. Can it be made to pay? It will be necessary for the present, and probably always, that these ships should avoid the Red Sea. Tropical weather in mid-ocean is always sufficiently trying on a crowded ship, and a death or two from heat is calculated to create a panic. For the better accommodation and the quicker passage, and the incidental benefits to follow, possibly the Government will be quite able to meet the Company if the Company can undertake the work. The case looks more hopeful, and if the experiment can be made, its results will be worth more than the weightiest reasons that can be urged either way now.

Macquarie-street and New Wharf, Hobart, 31st August, 1883.

SIR,

I AM advised by telegram that the Government of New South Wales has entered into an English Mail contract with the Orient Company for a fortnightly service, commencing from Melbourne on 21st proximo; and also has entered into an Immigration contract service as foreshadowed by Mr. Yuill last month.

I will now, in course of post, be able to reply in detail to your letter of 6th instant.

I have, &c.

JAMES MACFARLANE.

The Hon. W. R. GIBLIN, Premier.

Macquarie-street and New Wharf, Hobart, 24th September, 1883.

SIR,

I HAVE now the honor to acknowledge more in detail your letter of 6th August, *re* direct Steam Service between Tasmania and England, and to make the following proposals:—

- 1st. The Orient Company to provide a monthly service outwards *viâ* the Cape, to be performed by their magnificent regular steamers in not exceeding 45 days.
- 2nd. These steamers to carry all the Immigrants for the Tasmanian Government, and to be guaranteed not less than 100 adults per steamer, at £15 per head. Payments as at present,—say, one moiety in England, balance on landing.
- 3rd. A mail subsidy of £1000 for each outward voyage.
- 4th. Penalties and premiums, if required by Government, to be agreed.
- 5th. Steamers to be free of port dues and pilotage.
- 6th. Steamers to have the preference for any Government import cargo, and not to be detained beyond the time actually required to land mails, passengers, and cargo.
- 7th. Duration of this agreement to be concurrent with the New South Wales Immigration contract.
- 8th. Homewards.—The steamers to call at a port in Tasmania every four weeks on homeward route from Sydney to Melbourne, carrying mails on the following terms; viz.—

Letters	12s. per lb.
Packets	1s. „
Newspapers	6d. „

Provided always that the amount receivable for such mails should not be less than £1000 per steamer.

9th. The most suitable arrangements for the Company would be to make Hobart the port of call outwards, and Tamar Heads on the homeward voyage.

The steamers would require to be three days in Melbourne after leaving Tamar Heads, and this would give a mail service homewards of 42 days at the outside, with the advantage of any faster deliveries made by the steamers without extra cost to Tasmania.

I will be glad to have the views of your Government upon above proposals. As already advised, the first steamer in New South Wales Immigration Service will leave England about beginning of December.

The Tasmanian Immigrants would be under the New South Wales regulations, and under their Surgeons and Matrons, which would, I presume, not be objected to.

The above are proposals which, I believe, reply to the questions you put under your letter, and I shall be glad to have your views in reply to lay before our General Manager by telegram.

I have, &c.

JAMES MACFARLANE, *Agent Orient Steam Navigation Company, London.*

Honorable W. R. GIBLIN, *Premier, Hobart.*

Premier's Office, Hobart, 2nd October, 1883.

SIR,

I HAVE submitted to the Cabinet the proposals contained in your letter of the 24th September as to a direct Steam Service between Tasmania and England.

While this Government are very anxious to secure the many advantages which may be expected to accrue from a prompt and regular means of conveyance of passengers and cargo to and from England, I desire to point out that the question of a mail service is of quite secondary importance to this Colony, as the means of transmitting postal matter *via* Melbourne are fully equal to all present requirements.

For this reason No. 8 of your proposals is quite inadmissible. A steamer calling at Tamar Heads would be perfectly useless for the main object we have in view on the homeward journey, viz., the conveyance of cargo. It is believed that if a first-class line of direct steamers were to call at Hobart monthly to receive passengers and cargo, that they would not only monopolise the great bulk of the present English export trade, but that during several months of the year large quantities of fruit would be shipped to England at profitable rates, and in many ways the exports would be increased.

It is useless to discuss other details of the proposal if it will not suit the arrangements of the Orient Company to offer the Government that which would be the chief inducement to grant a subsidy—viz., to make Hobart the first and last Australian port of call for a monthly line of full-powered large steamers trading to and from London and Sydney, on a time-table not exceeding, say, 42 days each way.

I shall be glad to be informed on this point, as if such a service were offered we should be prepared to give favourable consideration to any reasonable terms upon which it could be secured. On the other hand, if the Company cannot offer such a service we should be compelled to decline the proposition set forth in your letter.

I have, &c.

W. R. GIBLIN.

JAMES MACFARLANE, *Esq., Agent Orient Steam Navigation Company, Limited.*

Elizabeth-street and New Wharf, Hobart, 3rd October, 1883.

SIR,

I HAVE the honor to acknowledge your letter of 2nd instant on the subject of the Orient steamers calling at Hobart.

The Orient Company empowered me to make the proposals in response to your letter of 8th August, wherein a desire is expressed to secure the admitted advantages accruing from an outward service *via* Tasmania, "and to enable Ministers to formulate some proposals with regard to this Service."

I shall be glad, seeing that our suggested clause No. 8 is considered undesirable, to be informed—

- 1st. Whether Government will now give any inducement at all for an outward service only, and if so, to what extent?
- 2nd. To what extent would inducement be given for Orient steamers to make Hobart a port of departure homewards? This desirable end can be attained, and to facilitate it I shall be glad to be informed of the views of the Government on the other proposals I have laid before them.

There is an opportunity at present, which may not long exist, to bring a fleet of steamers which other Colonies, having proved, vie with each other in endeavouring to secure, and give Tasmania that which must be of the utmost importance to her. I feel sure it would be a general disappointment should negotiations so early break off, and therefore have laid the matter now before you in its simplest form to save time.

I have, &c.

JAMES MACFARLANE, *Agent Orient
Steam Navigation Company.*

The Hon. W. R. GIBLIN, Premier, Hobart.

Premier's Office, 6th November, 1883.

SIR,

I HAVE again the honor to address you as to the proposal to subsidise steam communication to and from England.

In accordance with the intention of Ministers communicated to you at our last interview, the authority of both Houses of Parliament has been obtained for Ministers to enter into arrangements with any person or Company willing to contract with the Government to supply direct steam communication to and from England upon such terms as may be agreed upon.

In order to enable the Government to decide upon the most favourable mode of procuring such communication, I should be glad to receive from you a written proposal for a four-weekly or monthly service—to be performed in, say, 45 days or less each way—making Hobart the first and last Australian port of call. In this proposal you will of course include such stipulations as the Company may desire to make as to rate of subsidy and payments for Immigrants, Government cargo, carriage of mail matter, port charges, tariff for goods, passengers, &c. I should be glad also to be informed whether cooling chambers would be available for the shipment to England of fruit or other perishable produce, if desired. As the performance of this service by the Orient Company would be a part of the voyages made under contract with the Sydney Government, I should like to be furnished with a copy of your Company's contract with that Government, to ascertain how far it would affect the Tasmanian service.

As I desire to deal with the subject before leaving to attend the Conference to be held in Sydney at the end of this month, I should be obliged by receiving your written proposal on or before the 16th instant.

I have, &c.

W. R. GIBLIN.

JAMES MACFARLANE, *Esq., Agent for Orient Steam
Navigation Company.*

Macquarie-street and New Wharf, Hobart, 16th November, 1883.

SIR,

I HAVE the honor to acknowledge your favour of 6th instant, on the proposal to subsidise Steam Companies to and from England.

The Orient Company are quite prepared to furnish to Tasmania a service second to none in the Colonies, or to modify it in such a way as will best meet the means and requirements of the Colony; and, as you are aware, Mr. Yuill, the General Manager for the Colonies, has been for some weeks in Melbourne ready to come over and to enter into a contract; this week he has, however, to visit South Australia, but returns next week, when he will be glad to discuss the different proposals he can lay before you either in Sydney or Melbourne, as may be most convenient to you during your visit, and then put them in writing. This course we understand will not be disadvantageous to you, and will result, we trust, in a saving of delay,—Mr. Yuill, feeling it desirable to ascertain in some

measure the views of the Government, and in a matter of this kind first to discuss personally different points of the scheme. Should it meet the Government views, a high class service direct, both out and home, monthly from Hobart, or, if the expense be beyond your views, to modify it slightly in such a way as it may be agreed on, will be then laid before you in writing.

The question of cooling chambers is one of the matters for discussion, most of the steamers of the line having them,—those in the mail service certainly,—and it is a question how far the Colony is prepared to go to have them reserved for Tasmania and possibly not entirely use them, or will leave the ordinary demands of trade to adjust this. The products you mention, such as fruit, will not require an actual freezing chamber, and some arrangement will be made to secure an increase in trade to England in this article.

I enclose copy of the Company's Immigration agreement with New South Wales Government. You will note special provision is made for calling at Hobart; that it is a continuing agreement subject to Parliamentary vote and six months' notice of discontinuance, though the service once started with Tasmania is hardly likely to be discontinued under any circumstances. The Company would have desired to commence their new service with New South Wales, leaving London in December by calling at Hobart, but shall be prepared to do so when arranged.

I have, &c.

JAMES MACFARLANE, *Agent Orient Steam Navigation Company.*

The Hon. W. R. GIBLIN, Premier.

Premier's Office, Hobart, 23rd November, 1883.

Re Steam Service to England.

SIR,

I HAVE the honor to acknowledge your letter of the sixteenth instant on this subject, and have to thank you for the copy of the Orient Company's Contract with the New South Wales Government therein contained.

As the writer expects to be in Victoria on Monday next, the twenty-sixth instant, and in Sydney on the following day, I think it will be convenient to discuss the matter, as you suggest, with Mr. Yuill in Sydney, and obtain from him that further information which will enable me to submit to the Cabinet the several propositions for the above service for their consideration.

I have, &c.

JAMES MACFARLANE, *Esq.*

W. R. GIBLIN.

MEMO of proposed Contract.

[Received from Mr. Yuill at Sydney, 5. 12. 83.—W.R.G.]

1. The Orient Company to provide a Monthly Service from England to Hobart.
2. Length of voyage, 45 days, with premiums and penalties as under or over that time.
3. These steamers to carry all the Immigrants for the Tasmanian Government, and to be guaranteed not less than 100 adults per steamer.
4. Passage money for Immigrants to be £15 per statute adult, to be paid as at present.
5. Steamers to be free of port, light, tonnage, and pilotage dues in Tasmanian waters.
6. These steamers to have the refusal of all the Government cargo at a tariff to be agreed.
7. Immigrants to be carried subject to the terms of the New South Wales Government Charter, and to be under the medical officer of the steamer, who shall be remunerated accordingly.
8. Steamer to suffer no delay either in embarkation at Plymouth or debarkation at Hobart.
9. Quarantine expenses, if any, to be borne by Government.
10. The Orient Company to provide a four-weekly steamer homewards from Hobart to England, with liberty to Orient Company to call at other ports in Australia to fill up.
11. Time from Hobart to England, 50 days.
12. Premiums and penalties as before.
13. Total Subsidies, besides above Government freight, passage and allowance monies, Fifteen thousand Pounds.

14. In event of the Orient Company finding it impracticable to maintain a regular four-weekly service homewards they shall be at liberty to reduce the number of homeward sailings, but shall in such case be liable to a penalty in each case of £1000, or any less sum as imposed by the Tasmanian Government.

15. This agreement to commence outwards with steamer leaving England under New South Wales Immigration Contract in January, and to continue concurrent with same contract; commencement homewards to be subject to arrangement.

Elizabeth-street and New Wharf, Hobart, 11th January, 1884.

DEAR SIR,

IN reply to my inquiry I have just received the following telegram :—

“ YUILL to MACFARLANE.

“ *Sydney, 11th January.*

“ IF Government will make definite offer I will telegraph London and advise you reply.”

This course would save, I think, at least a week or ten days' delay, and make matters take a definite form not hitherto arrived at.

I remain, &c.

JAMES MACFARLANE.

The Hon. W. R. GIBLIN, Premier.

Attorney-General's Office, Hobart, 12th January, 1884.

DEAR SIR,

IN reply to your note of yesterday, the Government would be prepared to enter into an agreement with the Orient Company for a to-and-fro steam service to England, on a subsidy of £13,000 per annum, and the other conditions named in your Sydney Memorandum.

This offer to remain open until Wednesday next.

Yours faithfully,

W. R. GIBLIN.

JAMES MACFARLANE, *Esq.*

Elizabeth-street, and New Wharf, Hobart, 12th January, 1884.

DEAR SIR,

I beg to acknowledge receipt of your note of to-day.

The time given for interchange of telegram with England is rather short, and I may have to ask you for slight extension, but will communicate with you early on reply.

Yours very truly,

JAMES MACFARLANE.

The Hon. W. R. GIBLIN.

Elizabeth-street and New Wharf, Hobart, 16th January, 1884.

DEAR SIR,

LATE last evening I had the following telegram from Mr. Yuill :—

“ London cable wanting information necessitating my reply ; arrange keep offer in hand for reasonable time for final reply.”

I may state that on Monday Mr. Yuill telegraphed me he had dispatched your offer to London on Saturday evening. Same day it was received, so that no time is being lost. May I beg for a few days? You will remember I thought the limit too short.

Yours faithfully,

JAMES MACFARLANE.

The Hon. W. R. GIBLIN.

Attorney-General's Office, Hobart, 21st January, 1884.

DEAR SIR,

HAVE you any reply for me *re* Steam service, &c.?

Yours faithfully,

W. R. GIBLIN.

JAMES MACFARLANE, *Esq.*

Elizabeth-street and New Wharf, Hobart, 22nd January, 1884.

DEAR SIR,

I HAVE the following message from Mr. Yuill in reply to my enquiry of yesterday :—

“Have supplied required information to London, and am waiting definite reply.”

Yours very truly,

JAMES MACFARLANE.

The Hon. W. R. GIBLIN.

New Wharf, Hobart, 29th January, 1884.

DEAR SIR,

I REGRET to inform you that I have received a telegram from Mr. Yuill, saying that the Managers in London of the Orient Line are unable at the present moment to make a Contract for a direct Steam service to and from Tasmania.

In making this announcement, I would add that the demands on the Orient Company from their lately entered into immigration contracts are growing so fast that they do not wish to undertake further extension until considerable additions can be made to their fleet of steamers. The course of post will bring detailed reasons, but as far as I can judge at present here, the Company will be quite willing to enter into a Contract with Tasmania at the earliest possible moment.

I remain, &c.

JAMES MACFARLANE.

The Hon. W. R. GIBLIN.

71, Macquarie-street, and New Wharf, Hobart, 2nd February, 1884.

Orient Service.

SIR,

REFERRING to recent negotiations for direct steam service, we have further details from Mr. Yuill only confirming the telegram which we laid before you on 29th January.

“The result,” he says, “will be disappointing to you as it is to him, but he does not think your Government can attach any blame to the Orient Company for the failure of negotiations. The Company were prepared to enter into engagements when Mr. Giblin was in Sydney, but the latter had first to fail with local tenderers.”

“Your Government may be able to arrange terms with another Company, but should they not do so, I have good hopes of inducing the Orient Company later on to reconsider the question, that is, when the New South Wales immigration service is in approved working order.”

We beg to convey our thanks to your Government for the courtesy and consideration they have shown the Orient Company throughout the negotiations, at the same time tendering our sincere regret that the result has not been more satisfactory

You will note there are good hopes for inducing the Orient Company to reconsider the question later on.

We have, &c.

MACFARLANE BROS. & CO., *Agents Orient
Steam Navigation Company.*

The Hon. W. R. GIBLIN, Premier.

CORRESPONDENCE WITH MESSRS. M'GREGOR, PIESSE, & CO., AND
MESSRS. GILL & BALL, THEIR SOLICITORS.

Hobart, 6th July, 1883.

GENTLEMEN,

WE are negotiating for a Tasmanian line of direct steamers from London to this port, and are prepared to undertake the passages of all immigrants your Board may require.

The service is to be arranged for a departure from London every eight or twelve weeks, as the demand for freightage and passengers offer; and we are confident, in the interests of Tasmania, that our proposal will at once commend itself to you, as passengers by this direct line will not associate with those to any of the other colonies.

Will you therefore favour us by an early reply, informing us if you are prepared to offer us the carrying of all immigrants the Colony may require.

We are, &c.

ALEX. M'GREGOR & CO.

*The Hon. WM. MOORE, M.L.C., and the Commissioners
of the Board of Immigration, Tasmania.*

Hobart, 7th July, 1883.

GENTLEMEN,

SINCE our letter of yesterday's date, we have received a cablegram from London advising, on behalf of the Tasmanian line, that the first direct steamer to Hobart can leave within six weeks from date, provided you can offer us the passages for 300 to 400 immigrants.

Awaiting your early reply,

Yours, &c.

ALEX. M'GREGOR & CO.

*The Hon. WM. MOORE, M.L.C., President, and the
Commissioners of Immigration, Tasmania.*

Immigration Office, Hobart, 9th July, 1883.

GENTLEMEN,

I HAVE the honor to acknowledge the receipt of your two letters of the 6th and 7th instant, communicating the information that you are negotiating for a Tasmanian line of steamers direct from London to this port, and that you are prepared to undertake the passages of "all immigrants the Board may require."

The letters were duly considered at a meeting of the Board of Immigration on Saturday, the 7th instant, when I was instructed to convey to you the thanks of the Board for your communications, and to state that they fully realise the desirability of encouraging the establishment of a direct line of steamers from the United Kingdom to Tasmania; but in view of the instructions already forwarded to the Emigrant and Colonists' Aid Corporation and their Emigration Agent, London, (see extract, clause 4, of those instructions herewith), and the further instructions of 18th May last (extract herewith), the Board apprehend that any interference with these instructions might possibly embarrass their Agents in the initiatory steps taken by them, and from which the Board cannot now withdraw; but I have much pleasure in informing you that I am instructed to advise the Agents in London that the Board desire, in the event of the accommodation to be provided for immigrants, and the rates being equal, that preference should be given to any company establishing a direct line of steamers to Tasmania.

I have, &c.

L. R. CASTRAY, *Secretary.*

Messrs. ALEX. M'GREGOR & Co., Merchants, Hobart.

Hobart, 11th July, 1883.

DEAR SIR,

WE have pleasure in asking your perusal of extract from our London Agent's advice, 1st ultimo, received this morning, relative to direct steam communication with London and this port. The proposals referred to are subject to any suggestions and alterations to meet the requirements of Tasmania.

We are, &c.

ALEX. M'GREGOR & CO.

The Hon. W. R. GIBLIN, M.H.A., Premier of Tasmania.

Hobart, 11th July, 1883.

EXTRACT from Messrs. GILBERT J. M'CAUL & Co.'s letter, dated London, 1st June, 1883.

STEAM Communication.—We thank you for your very full and valuable reference to this subject. The present keen competition in the Melbourne steam trade will probably be arranged before long, and we shall then avail ourselves of the next opportunity to send a direct steamer. In the meantime we shall be glad if you will continue negotiations with the Government with a view to ascertain the most favourable conditions they will offer as to subsidy, the amount they would offer, the number of emigrants they would guarantee, and the conditions which they would exact as to number of despatches, speed, &c. As a guide we may mention that our ideas are £10,000 subsidy, four-weekly sailings, 50 days' passage from London to Hobart, including all calls and detention. We may add that an effort will be made to secure a subsidy from the Western Australian Government: it will therefore be necessary to reserve us the right to make any calls or deviations, provided the passages are made within the contract time to Hobart.

It is possible we may arrange, after calling at Launceston, to make Newcastle, N.S.W., the terminal port; but we are also negotiating for a subsidy in the event of the boats, or alternate ones, calling at Fiji after leaving Launceston or Newcastle.

We mention all these matters in order that you may see the question is being carefully considered, with a view to the establishment of a regular permanent service of steamers larger and more powerful than your Colony can support unaided, at any rate for some time to come.

GILBERT J. M'CAUL & CO.

Hobart, 14th July, 1883.

DEAR SIR,

YESTERDAY evening we received a message from our London Agents intimating that they had undertaken the passages of immigrants by direct steamer to this port, leaving London end of August.

We have little doubt that your promptness in cablegram brought about this successful issue, and we now desire to tender you our best thanks.

We are, &c.

ALEX. M'GREGOR & CO.

The Hon. W. R. GIBLIN, M.H.A., Premier of Tasmania.

Hobart, 10th August 1883.

SIR,

REFERRING to our former letter under date 11th ultimo, relating to direct Steam communication with London and Tasmania, we now have the honor to inform you of our preparedness to guarantee to the Government a service which we believe will fulfil every requirement of the Colony.

As proof of this guarantee, our London Agents cable following arrangements for the dispatch of steamers in the ensuing twelve months:—

Cape Clear, 21st instant.

Following steamer,	October, 1883.
"	November, 1883.
"	January, 1884.
"	February, 1884.
"	April, 1884.
"	May, 1884.
"	July, 1884.
"	August, 1884.

And, if necessary, to supplement additional steamers during the period named should the requirement be needed.

We purpose making Launceston a port of call, thereby providing similar advantages for the chief ports of the Colony; and immediately our arrangements now maturing are complete, the steamers will call at both ports for return cargoes of Tasmanian produce to England.

The results which must accrue from direct Steam communication with England cannot be over estimated. In relation to emigration, it is paramount that all immigrants should come by direct steamers, and not be associated with passengers for the adjoining Colonies; and, as you are aware, a very considerable portion of our trade with England filters through the port of Melbourne, which trade will now be carried by direct steamers, avoiding the ever-recurring risk in transshipment and consequent cost of same, besides enabling our importers to conduct business upon similar terms as their competitors in the other Colonies.

Repeating the assertion, we believe our proposals will fulfil every requirement, and, being a Tasmanian service, it will be successfully carried out if we secure the cordial co-operation of all interested in the welfare and progress of the Colony.

We therefore rely upon your recommending to the Government such assistance in the shape of subsidies which the increased means of communication warrant, and in view of the benefits which must accrue thereby to the Colony at large.

We have, &c.

ALEX. M'GREGOR & CO.

The Hon. W. R. GIBLIN, M.H.A., Premier of Tasmania.

Hobart, 18th September, 1883.

DEAR SIR,

SOME time having elapsed since our last interview relative to our proposal for the establishment of a direct Steam service from London to Tasmania, we have the honour to request that you will oblige us with your reply to our letter 10th ultimo, and should you desire we shall be happy to make an appointment for an early interview upon the subject.

We are, &c.

ALEX. M'GREGOR & CO.

The Hon. W. R. GIBLIN, M.H.A., Premier of Tasmania.

Attorney-General's Office, Hobart, 19th September, 1883.

GENTLEMEN,

I HAVE the honor to acknowledge the receipt of your letter of the date noted in the margin, 18 Sept. 1883, and have to inform you that pending the receipt of an offer from the Orient Steam Navigation Company which I am in daily expectation of receiving, and which should have reached me before this, I am unable definitely to reply to your letter at present.

I have, &c.

W. R. GIBLIN.

Messrs. A. M'GREGOR & Co., Hobart.

Premier's Office, Hobart, 17th October, 1883.

GENTLEMEN,

WITH reference to the conversations we have had from time to time as to your desire to establish direct Steam communication between London and Hobart, I should be glad to receive a definite proposal in writing from you, if you are in a position to make one, stating what inducements you and your friends would require to establish a direct line of large full-powered and fast passenger and cargo steamers that would make regular trips to and from Hobart, or to and from some other Australian port, calling at Hobart *en route*—say, one steamer each way every four weeks,—length of passage not exceeding 45 days each way between London and Hobart.

As I mentioned to you at our last interview, the great point which the Government would desire to secure would be a fast and regular means of conveying passengers and cargo to and from England and Tasmania, and hence your first suggestion of an outward service only did not commend itself to Ministers. I am informed that the Orient Steamship Company are now prepared to offer such a service as would meet this want, and I desire to give you the opportunity of making any written formal proposal you may desire, so as to enable the Government to decide upon the course which will best serve the interests of the Colony, and secure the great advantage of direct Steam communication to and from Great Britain.

I have, &c.

Messrs. ALEX. M'GREGOR & Co., Elizabeth-street.

W. R. GIBLIN.

18th October, 1883.

DEAR SIR,

WE desired to have an interview with you to-day, and called twice at your office, but upon both occasions found you engaged. If convenient, we will make an appointment with you for to-morrow morning at 10 o'clock.

We are, &c.

ALEX. M'GREGOR & CO.

The Hon. W. R. GIBLIN, M.H.A., Premier.

Hobart, 2nd November, 1883.

DEAR SIR,

WE are favoured with yours of 17th ultimo, in which you request us to make a proposal for a direct steam service to and from London to this port.

Desiring to meet the requirements of the Colony, and more particularly that set forth in your letter, we have communicated by cable with our London correspondents, who yesterday evening made a definite offer to contract for a first-class direct outward monthly service, and advised that negotiations for the return service are pending. With the view of assisting our friends in offering such a service as will meet your wishes, we desire to submit to them, with your concurrence, the following proposal:— To contract for a direct steam service to and from London to Hobart monthly, length of passage not to exceed fifty days each way; subsidy, £12,000 sterling per annum; term of contract, two years; premium of £25 per day to be paid by Government for each day voyage is made under time specified; penalty of £25 per day to be paid to the Government for each day in excess of contract time; port charges to be free; Government to guarantee conveyance of all their cargo at current rates; freight and passage of one hundred immigrants monthly, payment for same to be £15 15s. sterling each statute adult; immigrants to be landed within 72 hours after arrival, and if quarantined to be at expense of the Government; permission to discharge cargo 24 hours after arrival; details to be similar to existing contract of the Orient Steam Navigation Company with the Government of New South Wales.

Trusting proposal will meet your approval, and awaiting the favour of an early reply to enable us to cable our London correspondents,

We are, &c.

ALEX. M'GREGOR & CO.

The Hon. the Premier, W. R. GIBLIN, Esq., M.H.A.

6th November, 1883.

GENTLEMEN,

I HAVE laid your letter of 2nd instant before the Cabinet, and I am now requested to inform you that Ministers cannot make a proposal to you, for the acceptance or rejection of your London correspondents, in the terms stated in your letter now under reply.

As I have desired to make clear to you, Ministers being now authorised by Parliament to enter into arrangements with any person or company willing to contract with the Government to supply steam communication to and from England, are desirous to receive proposals from yourselves and from the Orient Steam Company in order that they may accept that offer which will best serve the interests of the Colony. It would therefore be impossible for me to make a proposal to you which would have the effect of tying up the hands of Ministers to deal with you only.

I should therefore be glad if you would, in conformity with the request contained in my letter to you of the 17th October, forward me a proposal for a to-and-fro four-weekly or monthly 45 days' service, with such stipulations as to cargo, immigrants, carriage of mail matter, and subsidy, and such other conditions as you and your London correspondents may desire to make. It has been urged upon the Government that provision should be made in any contract for steam communication that a cooling chamber should be provided in which fruit or other perishable produce might be conveyed to England without suffering deterioration from the tropical heat.

May I request that you would favour me with your proposals in writing within ten days from this date, as I desire to deal with the subject before leaving for the Intercolonial Conference at Sydney, which is to meet on the 28th of this month.

I have, &c.

W. R. GIBLIN.

Messrs. A. M'GREGOR & Co., Elizabeth-street.

November 14, 1883.

DEAR SIR,

WE will have pleasure in seeing you to-morrow morning at time appointed, 9.15 A.M.

Yours, &c.,

ALEX. M'GREGOR & CO.

The Honorable the Premier, W. R. GIBLIN, Esq.

Hobart, 16th November, 1883.

DEAR SIR,

UNDER separate cover we offer direct Steam service to and from London to this port.

Any modifications you may require so that our service shall be equal to offer of the Orient Steam Navigation Company, we will meet your wishes in.

And are, dear Sir,

Yours faithfully,

ALEX. M'GREGOR & CO.

The Honorable the Premier, W. R. GIBLIN, Esq.

Hobart, 16th November, 1883.

DEAR SIR,

WE have pleasure in acknowledging receipt of yours 6th inst., and note therein you cannot accede to proposal contained in our letter 2nd inst., but direct our attention to the wishes of Ministers expressed in your communication of the 17th October, requesting us to submit an offer for a direct Steam service to and from London to this port. In conformity with same, we now offer, on behalf of our London correspondents and ourselves, following proposal to contract for a monthly direct Steam service to and from London to Hobart, equal to contract of the Orient Steam Navigation Company with the Government of New South Wales, for a subsidy of £12,000 sterling per annum, the stipulations being—

1. Length of passage—Forty-five days each way.
2. Term of contract—Two years.
3. Premium—£25 per day payable by the Government of Tasmania for each day voyage is made under time specified, and a like sum payable by contractors to the Government for each day time is exceeded, provided always that the accumulated penalties do not exceed amount of subsidy payable for each voyage, viz., £500 sterling.
4. Port Charges—Free.
5. The Government of Tasmania to guarantee the conveyance of all their cargo provided same be charged current rates of freight at port of shipment.
6. The Government of Tasmania to guarantee passages of One hundred Immigrants monthly at the rate of £15 15s. sterling for each statute adult.
7. Immigrants to be landed within 72 hours after arrival, and if quarantined to be at the expense of the Government.
8. Permission to discharge cargo 24 hours after arrival.
9. Cooling chambers to be provided if required, and all other details to be similar to the Orient Steam Navigation Co.'s contract before referred to.

We also submit an alternative proposal to contract for a monthly outward service only, stipulations to be similar as the foregoing, excepting length of passage, which will not exceed Fifty days, for a subsidy of £5000 per annum.

Hoping that one of our offers will meet your acceptance when all necessary details can be arranged, and requesting the favour of your reply as soon as possible,

We are, &c.

ALEX. M'GREGOR & CO.

The Honorable the Premier, W. R. GIBLIN, Esq.

Premier's Office, Hobart, 23rd November, 1883.

Re Steam Service to England.

DEAR SIR,

I have the honor to acknowledge receipt of your letter of the 16th instant, and to inform you that I have placed the proposals therein contained before Ministers.

I am unable to write you definitely upon them until my return from Sydney, as I have arranged to see the General Manager of the Orient Steam Company in that city, and to ascertain from him more fully what arrangements his Company are prepared to make.

When I am fully possessed of the terms upon which that Company can offer a Steam service I shall be better able to bring both proposals before Ministers, and, if necessary, I will communicate again with you before coming to a decision on the matter.

In the meantime there is one point to which I would direct your attention, so that if you are in a position to furnish me with fuller information you may do so in the course of the next three weeks, by which time I hope to be again in Hobart. In dealing with the Orient Company of course we know that we are dealing with an existing line, and the character of the vessels which would call here, and the fact that they were under contract with the New South Wales Government to make regular voyages doing certain specified work upon agreed terms, would be a guarantee to the Tasmanian Government that they would make regular voyages, and be enabled without difficulty to fulfil the conditions we require. Now in the case of your offer, as we understand, the line of steamers which you contemplate is not an existing line, and the terminal port of the vessels you contemplate arranging with is as yet undetermined, although, as I understand you verbally, it would probably be some New Zealand port. In order to supply the Government with as much information as possible I should be glad if you would (if practicable) give me within the time named the names and character of the steamers you propose to use, and indicate the trade other than Tasmanian in which they would be engaged, or, if your arrangements are not yet sufficiently matured to enable you to write definitely on these points, perhaps you could state what guarantee your correspondents could give to the Government that, if their proposals are accepted, they can and will start and maintain a high class service such as that we mutually contemplate.

I am, &c.

W. R. GIBLIN.

Messrs. ALEX. M'GREGOR & Co., Elizabeth-street.

Hobart, 12th December, 1883.

Re Direct Steam Communication with London.

DEAR SIR,

WE have to own receipt yours 23rd ult., and, as mutually arranged, allowed this matter to remain in abeyance until your return from Sydney. The particulars asked for in your letter now acknowledged we can supply, and, as our London correspondents are pressed by those with whom they are negotiating for an answer, we shall be obliged if you will give us an early interview of a few minutes at any hour you may appoint.

Awaiting your reply,

We are, &c.

ALEX. M'GREGOR & CO.

The Hon. the Premier, W. R. GIBLIN, Esq., M.H.A.

Attorney-General's Office, Hobart, 13th December, 1883.

Re Steam Service to London.

DEAR SIRS,

I am so pressed just now that I cannot name any time earlier than Monday afternoon for the interview you desire. The hour to be three o'clock if Parliament should not then be sitting, but if it should we can arrange another hour.

Yours, in haste,

W. R. GIBLIN.

Messrs. ALEX. M'GREGOR & Co., Elizabeth-street.

Hobart, December 14th, 1883.

DEAR SIR,

We are in receipt yours 13th inst., and thank you for appointment on Monday afternoon at 3 o'clock, *re* direct Steam service.

Yours, &c.

ALEX. M'GREGOR & CO.

The Honorable the Premier, W. R. GIBLIN, Esq.

Hobart, 18th December, 1883.

Re Direct Steam Service with England.

DEAR SIR,

WE now have pleasure in supplying the further particulars asked for in your letter 23rd ult.

The steamers our London correspondents are negotiating with for the service are the *Tangariro*, 4615 tons; *Aorangi*, 4600 tons; and new steamers now being built belonging to the New Zealand Shipping Company.

They have also under offer two steamers from each of the following companies—

Aberdeen Steam Shipping Co.

Pacific Steam Shipping Co.

Ducal Line.

All of which are full powered first-class boats.

We may mention that the s.s. *Aberdeen* lately performed the voyage from London to Melbourne in 41½ days.

The terminal ports will be at New Zealand and New South Wales.

Your early answer will oblige, to enable us to cable our London correspondents.

We are, &c.

ALEX. M'GREGOR & CO.

The Honorable the Premier, W. R. GIBLIN, Esq., M.H.A.

Hobart, 31st December, 1883.

DEAR SIR,

LATE on Saturday evening we received a cablegram from our London correspondents giving fuller particulars of offer for direct Steam service with London, and as some portion of the message is not sufficiently clear, we have been obliged to wire for explanation, which we hope to receive by Wednesday morning, when we shall have pleasure in placing the information in your hands.

We shall therefore feel obliged if you will postpone consideration of the matter until you hear from us again.

We are, &c.

ALEX. M'GREGOR & CO.

The Hon. the Premier, W. R. GIBLIN, Esq., M.H.A.

TELEPHONED reply—"Will wait as requested."

W. R. GIBLIN.
31. 12. 83.

1, Elizabeth-street, Hobart, 2nd January, 1884.

DEAR SIR,

REFERRING to our letters 16th November and 18th December, 1883, relative to direct Steam service with England, our London correspondents cable us withdrawing offer therein. This we much regret, especially when we learn that the delay which has arisen in negotiations contributed to a large extent to this issue. The N. Z. S. Company, with which they had made preliminary arrangements, are not now prepared to undertake the service. Several fine boats—the *Doric*,

Ionic, and *British King*—which up to a short time back they had under engagement, have been chartered by another Company.

Desiring, however, to supply the requirements of the Colony, we are now instructed to submit another tender, which please find herewith. Trusting same will meet your approval,

We are, &c.

M'GREGOR, PIESSE, & CO.

The Hon. the Premier, W. R. GIBLIN, Esq., M.H.A.

1, *Elizabeth-street, Hobart, 2nd January, 1884.*

DEAR SIR,

REFERRING to our letter of even date, we now beg to tender to supply a direct Steam service to and from London to this port, for a subsidy of £5000 per annum for an Outward service from London to Hobart, and £13,000 for a Homeward service from Hobart to London, *vid* Melbourne, the stipulations being—

1. Length of passage—Fifty days each way.
2. Term of contract—Three years.
3. Premium—£2 per hour for each hour service is performed under 48 days, payable by the Government of Tasmania, and the like sum of £2 per hour as penalty to be paid by the contractors to the Government; but the penalties are not to be reckoned until 52 days have expired. The limit payable by either party to be £500.
4. Port charges free.
5. The Government of Tasmania to guarantee the conveyance of all their cargo, provided same be charged current rates of freight at port of shipment.
6. The Government of Tasmania to guarantee passages of one hundred immigrants monthly at £15 5s. (fifteen pounds five shillings) for each statute adult.
7. Immigrants to be landed thirty-six hours after arrival, and, if quarantined, to be at expense of the Government.
8. Permission to discharge cargo upon reporting at Customs.
9. The outward service to be performed by a steamer leaving London monthly direct to this port, and the return or homeward service to be undertaken by a steamer leaving at intervals of 28 days; permission to be granted to the latter to call at Melbourne *en route* to London.
10. Permission to be given to allow loading and unloading cargo on Sundays, if necessary.
11. Permission to be given to carry all classes of passengers.

To enable us to cable our London correspondents, will you oblige by informing us at your earliest convenience when you will be prepared to give us your answer?

We are, &c.

M'GREGOR, PIESSE, & CO.

The Hon. the Premier, W. R. GIBLIN, Esq., M.H.A.

Premier's Office, Hobart, 5th January, 1884.

GENTLEMEN,

I HAVE the honor to acknowledge the receipt of your letter of the 2nd instant, withdrawing your offer to provide a steam service to and from England for a subsidy of £12,000 a year, and upon certain terms. I have also to acknowledge your letter of same date, making a new offer to provide such a service for subsidies of £5000 for the outward, and £13,000 for the homeward service, *i.e.*, £18,000 per annum for the both ways' service, upon certain terms.

I regret that the unavoidable delay which has taken place in our negotiations has led to such a sudden and marked advance upon the terms formerly offered by you; and having submitted your last proposal to the Cabinet, by whom it has been fully considered in all its aspects, I am instructed, on the part of the Government, to inform you that they feel compelled to decline your offer.

I have, &c.

W. R. GIBLIN.

Messrs. M'GREGOR, PIESSE, & Co., 1, Elizabeth-street.

1, *Elizabeth-street, Hobart, 5th January, 1884.*

DEAR SIR,

WE have the honor to acknowledge receipt yours of even date, and regret to learn therefrom that the Government feel compelled to decline our offer of the 2nd instant for the establishment of a direct line of first-class steamers to and from London to this port.

The very urgent necessity which exists for the service referred to, and the knowledge of your anxiety to foster same by every means at your disposal, we have thought it desirable, before cabling our London correspondents refusal of offer made by us on their behalf, to again address you, with the view of ascertaining the wishes of the Government upon the subject.

Presuming the non-acceptance of our offer is owing to the amount asked for subsidies, we shall be obliged if the Government will inform us the subsidy they would be prepared to give for the due performance of a contract upon similar lines as those set forth in our communication of 2nd instant.

Requesting your favourable answer on Monday morning, when we will at once use our best exertions to secure acceptance of the wishes of the Government,

We have, &c.

M'GREGOR, PIESSE, & CO.

The Hon. the Premier, W. R. GIBLIN, Esq., M.H.A.

1, *Elizabeth-street, Hobart, 10th January, 1884.*

Re Direct Steam Service with England.

DEAR SIR,

UPON receipt of your letter of 7th instant, we cabled our London correspondents, and now have their answer, instructing us to inform the Government that the offer dated 16th November last cannot be renewed, consequent upon the insurmountable difficulties which have arisen while the offer was pending, as mentioned in our communication of 2nd instant.

Reverting to our offer of 2nd instant, we are still prepared to undertake a contract upon the conditions named therein. Any suggestions you may desire to make relative to same we will have pleasure in cabling to our London correspondents.

We have, &c.

M'GREGOR, PIESSE, & CO.

The Hon. the Premier, W. R. GIBLIN, Esq., M.H.A.

1, *Elizabeth-street, Hobart, 14th January, 1884.*

DEAR SIR,

As the mail closes to-morrow for England, we should like to say something definite relative to the direct steam service, and shall be obliged if you will grant us an interview during to-day or early to-morrow morning, at an hour you may name.

We are, &c.

M'GREGOR, PIESSE, & CO.

The Hon. the Premier, W. R. GIBLIN, Esq., M.H.A.

Attorney-General's Office, Hobart, 14th January, 1884!

DEAR SIRS,

IN reply to your note of this day's date, I regret that I am so closely engaged to-day, and have already made three appointments for to-morrow morning, so cannot name an hour for a personal interview as requested. If you desire to make any new proposal as to the direct Steam Service, perhaps you will be good enough to put it in writing so that it can be laid before the Cabinet.

Yours faithfully,

W. R. GIBLIN.

Messrs. M'GREGOR, PIESSE, & Co., 1, Elizabeth-street.

1, *Elizabeth-street, Hobart, 15th January, 1884.*

DEAR SIR,

WE have the honor to acknowledge receipt yesterday afternoon your answer to our letter same date, and regret to learn you are precluded from giving us an interview before mail closes for England.

In our letter dated 10th instant we repeated offer made to you upon 2nd instant for a direct Steam service to and from England, and in same communication we requested the pleasure of cabling to our London correspondents any suggestions you might wish to make relative to the offer.

With a view of meeting the wishes of the Government by every means at our disposal, we think a short interview will best bring about the object both desire, and shall therefore be obliged if you will give us a few minutes at any time most convenient to you.

We have, &c.

M'GREGOR, PIESSE, & CO.

The Hon. the Premier W. R. GIBLIN, Esq., M.H.A.

Premier's Office, Hobart, 15th January, 1884.

DEAR SIR,

I HAVE the honor to acknowledge the receipt of your letter of this day's date, as to the direct Steam service to and from England, in which you refer to your offers of a service upon the terms contained in your letter of the 2nd instant as having been repeated in your letter of the 10th.

I had thought that I had made it sufficiently clear to you at our last interview that the Government considered the sudden increase in the subsidy demanded by you from £12,000 to £18,000 unwarranted and unreasonable, and one which could not be acceded to, and that your persistence in such a demand involved the relinquishment of further negotiations. At any rate I desire to make it clear to you now, that Ministers are not prepared to advise Parliament to pay any such sum as that recently asked by you, and are therefore considering other arrangements. For this reason, and from the liability to misunderstanding and subsequent misquotation which attends verbal interviews, I should much prefer that if you have any modified or more reasonable proposal to make as to subsidised steam communication with Great Britain, that it should be placed in writing, so that it may be considered by Ministers, and so that the various steps in the negotiations may be on record for the information of Parliament, to whom we on our side are responsible for the manner in which we have carried out the contracting powers entrusted to us.

I have, &c.

Messrs. M'GREGOR, PIESSE, & Co.

W. R. GIBLIN.

1, *Elizabeth-street, Hobart, 17th January, 1884.*

DEAR SIR,

YESTERDAY afternoon we were honored with your letter bearing date 15th instant, and regret to learn therefrom you deem it inadvisable to comply with the request contained in our letters of 14th and 15th instant.

Reviewing the alterations which have taken place since the question of securing a direct steam service with England was introduced, we thought a conference would best enable us to gauge the wishes of the Government.

Since receipt of your letter of 7th instant declining the offer contained in our communication of 2nd instant, we have urged upon our London correspondents the reconsideration of same, and now have pleasure in informing you that we are instructed to re-submit our proposal of the 2nd instant, subsidy required being £15,000 sterling; rates of passage money, £15 15s. At our frequent interviews we have pointed out the difficulties which have been met with in securing the return service from this port to London, and we therefore have the honor to submit an alternative proposal, viz.—The outward service to be performed as set forth in our communication of 2nd instant before referred to, and the return service to London upon similar terms, excepting that the number of voyages be limited to eight annually. The monthly departures to be arranged as the Government may desire. The subsidy for this service to be £12,000 per annum; rates of passage-money, £15 15s.

These offers must be left open for concurrence by our London correspondents for forty-eight hours after receipt of your answer.

Requesting the favour of your early reply,

We have, &c.

M'GREGOR, PIESSE, & CO.

The Hon. the Premier, W. R. GIBLIN, Esq., M.H.A.

Premier's Office, Hobart, 22nd January, 1884.

SIRS,

I HAVE the honor to acknowledge the receipt of your letter of the 17th instant containing alternative offer for the performance of a direct to-and-fro steam service from Hobart to London, and have to inform you that your communication has been laid before the Cabinet, and I hope to be in a position to reply thereto in the course of this week.

I have, &c.

W. R. GIBLIN.

Messrs. M'GREGOR, PIESSE, & Co., Elizabeth-street, Hobart.

1, Elizabeth-street, Hobart, 29th January, 1884.

SIR,

WE have the honor to acknowledge receipt upon 22nd instant your letter of same date, and await further reply as promised therein. Can you honor us with your reply during the day, before mail closes for England?

We are, &c.

M'GREGOR, PIESSE, & CO.

The Hon. the Premier, W. R. GIBLIN, Esq., M.H.A.

Attorney-General's Office, Hobart, 29th January, 1884.

DEAR SIR,

IN reply to yours of this day, I think your second proposal contained in your letter of the 17th, viz., £12,000 per annum for twelve trips out and eight trips home per annum, might be so arranged as to meet the present needs of the Colony; and upon your obtaining the concurrence of your London correspondents to the arrangement, I shall be quite ready to enter into a definite agreement with you upon that basis.

Yours faithfully,

W. R. GIBLIN.

Messrs. M'GREGOR, PIESSE, & Co.

1, Elizabeth-street, Hobart, 4th February, 1884.

DEAR SIR,

WE have the honor to acknowledge receipt of yours 29th ultimo, intimating your preparedness to enter into a definite agreement for a direct steam service between this Colony and England, upon the basis of our offers to you of the 2nd and 17th January last, viz.—“The outward service to be performed as set forth in our communication 2nd January, and the return service to London upon similar terms, excepting that the number of voyages be limited to eight annually. The monthly departures to be arranged as the Government may desire. The subsidy for this service to be £12,000 per annum. Rates of passage money, £15 15s.”

Our London correspondents, Messrs. Gilbert J. M'Caul & Co., having cabled concurrence, we are now enabled on their behalf, and also for the Orient Steam Navigation Company, to enter into a contract with you for the due fulfilment of the same.

We shall therefore be honoured by the early receipt of draft of the agreement. Pending receipt of same will you be good enough to inform us if the departures from this port during the following months will be in accord with your wishes,—viz., January, February, March, May, July, September, November, December? The first departure from this port to leave in May, and the first departure from London in April.

Trusting these suggestions will meet with your approval, and awaiting your reply as soon as possible, to enable the necessary preliminary arrangements to be carried out,

We have, &c.

M'GREGOR, PIESSE, & CO.

The Hon. the Premier, W. R. GIBLIN, Esq., M.H.A.

1, *Elizabeth-street, Hobart, 16th February, 1884.*

DEAR SIR,

REFERRING to our communication dated 4th instant, will you be good enough to inform us during the day if the months named for departures of steamers from London and Hobart meet your wishes? This information is required by our London Agents so that the necessary arrangements can be completed, and we therefore desire to cable particulars at once.

Awaiting your reply,

We are, &c.

M'GREGOR, PIESSE, & CO.

The Hon. the Premier, W. R. GIBLIN, Esq., M.H.A.

1, *Elizabeth-street, Hobart, 18th February, 1884.*

DEAR SIR,

WE are honored with yours of 16th instant, and herewith enclose copy of Orient Mail Time Table, showing departures from Melbourne. The dates marked in red should, we think, meet the wishes of fruit exporters, as also of all other shippers; viz.—

On or about 27th April.
 „ 6th July.
 „ 7th September.
 „ 2nd November.
 „ 14th December.
 „ 13th January.
 „ 10th February.
 „ 24th March.

Kindly send us your answer to-day, so that we may cable particulars to London.

Yours faithfully,

M'GREGOR, PIESSE, & CO.

The Hon. the Premier, W. R. GIBLIN, Esq., M.H.A.

P.S.—Also please say if month named for the first departure from England meets your wishes.

M'G. P. & Co.

COPY ORIENT MAIL TIME TABLE.—Departures of Steamers from Melbourne.

1883. May 3.* <i>Hobart, 27th April.</i>	1883. Nov. 8.* <i>Hobart, 2nd November.</i>
May 17.	Nov. 22.
May 31.	Dec. 6.
June 14.	Dec. 20.* <i>Hobart, 14th December.</i>
June 28.	1884. Jan. 5.
July 12.* <i>Hobart, 6th July.</i>	Jan. 19.* <i>Hobart, 13th January.</i>
July 26.	Feb. 2.
Aug. 9.	Feb. 16.* <i>Hobart, 10th February.</i>
Aug. 23.	Mar. 2.
Sept. 13.* <i>Hobart, 7th September.</i>	Mar. 16.
Sept. 27.	Mar. 30.* <i>Hobart, 24th March.</i>
Oct. 11.	April 13.
Oct. 25.	April 27.

* Departures from Hobart would be, as indicated, about five or six days earlier.

M'GREGOR, PIESSE, & CO.

Attorney-General's Office, Hobart, 19th February, 1884.

DEAR SIRS,

In reply to yours of yesterday's date, I beg to say that I have submitted the proposed dates to the Cabinet, and that Ministers are of opinion that, at any rate in the first instance, the days named by you for the homeward departures from Hobart are suitable, and may be adopted. The month named for the first outward steamer from England is suitable.

Should experience show that the eight homeward trips can be beneficially altered, that will be a matter for future mutual arrangement.

Yours faithfully,

W. R. GIBLIN

Messrs. M'GREGOR, PIESSE, & Co.

1, Elizabeth-street, Hobart, 22nd February, 1884.

DEAR SIR,

WE have the honor to acknowledge receipt yours 19th instant, intimating the wishes of the Government relative to departures of steamers, which we have cabled to our London correspondents.

Will you be good enough to forward us draft of contract as soon as possible?

Yours faithfully,

M^cGREGOR, PIESSE, & CO.

The Hon. the Premier, W. R. GIBLIN, Esq., M.H.A.

1, Elizabeth-street, Hobart, 29th February, 1884.

DEAR SIR,

WE notice in to-day's *Mercury* the report of meeting of the Board of Immigration held yesterday afternoon, that intimation is being sent to London relative to arrangement for monthly delivery of immigrants, and have the honor to request that in cabling the Agents of the Board of Immigration in London, instructions be sent them to communicate with our London correspondents, Messrs. Gilbert J. M^cCaul and Co., for the due fulfilment of contract.

We have also to request that instructions be cabled to the Crown Agents for Tasmania as to shipment of Government cargo by the same steamers.

Will you oblige us by advising when cablegrams are being despatched, so that we may at same time wire our correspondents?

We have, &c.

M^cGREGOR, PIESSE, & CO.

The Hon. the Premier, W. R. GIBLIN, Esq., M.H.A.

Attorney-General's Office, Hobart, 1st March, 1884.

DEAR SIR,

IN reply to yours of yesterday's date, I have seen Mr. Dodds, acting for the President of the Board of Immigration, who showed me a copy of the telegram which was sent to London to the Immigration Agent. As the message was not so full and explicit as your letter desires, I have arranged with Mr. Dodds that another telegram should be sent as requested by you.

With regard to the cargo, the Treasurer informs me that he communicated by letter with the Crown Agents directing them to ship all Government cargo by the subsidised service at current rates of freight.

Yours faithfully,

Messrs. M^cGREGOR, PIESSE, & Co.

W. R. GIBLIN.

Macquarie-street, Hobart, 22nd April, 1884.

SIR,

REFERRING to the interview Messrs. M^cGregor and Piesse and our Mr. Gill had with you on 18th inst. on the subject of the contemplated steam services to and from England, we have now the honor to inform you that we are instructed by Messrs. M^cGregor, Piesse, & Co. to state that, acting as Agents, they entered into negotiations with you for carrying out the services referred to, but no arrangement was made; that further correspondence took place, and ultimately they, on 4th February last, wrote to you stating that, on behalf of Messrs. G. J. M^cCaul & Co. and the Orient S. N. Co., they were enabled to enter into a contract with you for the due fulfilment of the services.

A draft contract has now been prepared by the Crown Solicitor, to which our clients are made parties as principals as well as agents for the Orient Company, M^cCaul & Co., Devitt & Moore, and Staley, Radford, & Co. Our clients object to enter into any such contract, and it appears to us that they are not bound to do so. They consider that as the homeward service is to be performed by the Orient Co., and the outward service by G. J. M^cCaul & Co., Staley, Radford, & Co., and Devitt & Moore (who are all well-known London firms), separate contracts should be entered into by the Orient Company and such firms with the Government. These are distinct services, and the subsidy for one is £8000, and the other £4000.

We are instructed to inform you that, although our clients decline to become contractors for the performance of the services, they do not entertain the slightest doubt that they will be satisfactorily performed.

We have, &c.

The Hon. the Premier, &c.

GILL & BALL.

Attorney-General's Office, Hobart, 23rd April, 1884.

GENTLEMEN,

I HAVE the honor to acknowledge the receipt of your letter of yesterday's date, and, in reply, to inform you that I have submitted your statements for the consideration of Ministers; and have now to inform you that Ministers are of opinion that as Messrs. M'Gregor, Piesse, & Co. have throughout been dealt with as contracting parties, and as the Government are quite unaware of the nature and validity of the arrangements which Messrs. M'Gregor & Co. have entered into with the Orient Steam Company and the other firms to which you refer, they must insist upon receiving the personal guarantee of your clients that the service will be duly carried out.

Before any contract could be entered into with the companies and firms you name, their authority would have to be produced to the Government, and I have already been informed by your Mr. Gill that no legal authority is vested in Messrs. M'Gregor & Co. to execute any contract on behalf of the parties named. I must therefore request that your clients adhere to the arrangement which up to the last few days they have always held themselves out as being prepared to undertake,—viz., to make themselves personally liable to the Government for the due fulfilment of the contract,—without seeking to make the Government parties to the sub-contracts which they have made or propose to make with the persons from whom they procure the steamers which are to carry out the service.

I have, &c.

W. R. GIBLIN.

Messrs. GILL & BALL.

I, Elizabeth-street, Hobart, 24th April, 1884.

DEAR SIR,

REFERRING to the request contained in our letter under date 29th February last, and your reply thereto dated 1st March, having reference to the instructions sent to the Crown Agents in London to ship all cargo by the subsidised service, we are in receipt of the following message from Messrs. Gilbert J. M'Caul & Co., dated London, 22nd April:—"Crown Agents have been advised ship Government cargo by Orient Line. Telegraph fully at once. Apply through us."

We have therefore the honor to request that a cablegram be at once dispatched to the Crown Agents directing them to ship all Government cargo through Messrs. Gilbert J. M'Caul & Co., representing themselves and Messrs. Staley, Radford, & Co., and Messrs. Devitt & Moore.

Will you oblige by intimating to us when the message is sent, so that we may at same time cable Messrs. M'Caul & Co.?

We are, &c.

M'GREGOR, PIESSE, & CO.

The Hon. the Premier, W. R. GIBLIN, Esq., M.H.A.

Premier's Office, Hobart, 25th April, 1884.

DEAR SIRS,

I AM in receipt of yours of yesterday's date as to the shipment of Government cargo from England to Hobart by the Orient line of steamers, and requesting that a cable message be at once despatched to the Crown Agents instructing them to ship all cargo through Messrs. M'Caul & Co., representing themselves and certain other named firms.

In reply, I have the honor to remind you that, acting under your instructions, your solicitors have denied the existence of any contract with your firm, and on your behalf refuse to embody in a formal agreement the arrangement we had verbally and by letter entered into with you.

Under these circumstances I cannot give fresh instructions to our London agents until you admit the existence of a definite and binding agreement with your firm for the contemplated direct Steam service, and enter into a contract in accordance with such agreement.

The confusion and difficulty which has lately arisen with our London Immigration Agents, and now as to the cargo, were entirely caused by your having represented to us in January last that you were exclusively representing the Orient Steam Navigation Company, and that in contracting with you we were, in fact, securing through you the performance by the vessels belonging to that Company of the proposed Steam service. Hence, in our first cable messages to London the Orient Company was mentioned, while your London correspondents were not named, with the result that, upon that Company being communicated with by our English representatives, the Orient Company denied all knowledge of the alleged agreement.

It is very vexatious that after all your numerous letters expressing the willingness of your firm to enter into a contract on the terms finally accepted, you should now decline to do so at the last moment, and in the very week during which steamers were to leave England and Hobart under our agreement; but the whole responsibility for this vexation, and for any loss arising therefrom, must rest upon yourselves, as the difficulty is entirely of your own creating.

I have, &c.

W. R. GIBLIN.

Messrs. M'GREGOR, PIESSE, & Co.

Macquarie-street, Hobart, 25th April, 1884.

SIR,

WE have the honor to acknowledge the receipt of your letter of the 23rd instant.

Our clients maintain that they have not throughout been dealt with as the contracting parties, and have only acted as agents in the matter, their principals being the company and firms named in the contract prepared by the Crown Solicitor. They therefore still decline to sign such contract in any capacity other than as agents.

Although Messrs. M'Gregor, Piesse, and Co. have not yet received any legal powers of attorney from the company and firms referred to, there is no doubt they have sufficient authority to arrange on their behalf respectively with the Government for the services, and if powers of attorney are necessary they can be obtained without any difficulty; but we submit that a contract under seal is unnecessary, and we have to inform you that our clients are prepared to sign a contract for the homeward service as agents for the Orient Company, and a contract for the outward service as agents for the firms referred to. Should a contract under seal be necessary, they will procure powers of attorney within any reasonable time.

The draft contract prepared by the Crown Solicitor is materially at variance with the correspondence between you and Messrs. M'Gregor, Piesse, & Co., such variations being in favour of the Government. If the opinion expressed by you is correct, there is an existing contract, and therefore the Government can have no right to alter it or add any terms; but if they are prepared to enter into the separate contracts mentioned in our letter to you of 22nd instant, our clients will, with the sanction of their principals, endeavour to meet the wishes of the Government in respect of the variations referred to.

Messrs. M'Gregor, Piesse, and Co. are not seeking to make the Government parties to sub-contracts; and as the company and firms for whom they are agents are to provide the steamers, they have not made, and do not propose to make, any such contract.

We have to remind you that the first outward steamer is to leave England on 28th instant, and that the first homeward steamer is to leave Sydney during next month, and we shall be glad to receive a reply at your earliest convenience.

We have, &c.

The Hon. the Premier.

GILL & BALL.

Premier's Office, Hobart, 25th April, 1884.

GENTLEMEN,

I HAVE the honor to acknowledge receipt of your letter of this day's date as to the direct Steam service.

To avoid needless repetition and duplication of correspondence I enclose you copy of a letter addressed by me to your clients prior to the receipt of your communication, but which may serve in part as an answer to it.

I need only add that the Government are not disposed to enter into two contracts, as suggested by you, and that you are erroneously instructed if you have been informed that Mr. M'Gregor in the first instance, and subsequently M'Gregor, Piesse, & Co., did not personally undertake to provide a Steam service to and from England by the boats of the Orient Steam Company. It has always been held out by Mr. M'Gregor that his personal security was the best guarantee that what he undertook to do he could perform, and that when he promised that Orient ships should perform the service he had the wealth and influence to carry out his promise.

The Government decline to enter into a contract with firms or persons with whom they have not been in correspondence, and of whom they know nothing. If your clients persist in their refusal

to carry out their undertaking, you had better return to the Crown Solicitor the draft contract, and leave the Government to act as they may be advised.

You are in error as to the date at which your clients undertook that the first Orient steamer should leave Hobart for England. It was the 27th of the present month; and as no such steamer is on the berth, and it is now the 25th, it is quite clear that they are not in a position to fulfil this term of their engagement.

I may finally remark that many of what you are pleased to term the "variations" in the formal instrument of contract from that disclosed by the letters were introduced into the draft contract at the suggestion of Mr. Piesse (one of your clients), and the rest are minor points verbally agreed to between that gentleman and myself.

I have, &c.

Messrs. GILL & BALL, Solicitors.

W. R. GIBLIN.

Premier's Office, Hobart, 3rd May, 1884.

GENTLEMEN,

I have the honor to remind you that I am without any reply to the letter which I sent you on the 25th ultimo as to Messrs. M'Gregor, Piesse, & Co.'s contract for the direct Steam service with England.

As Messrs. M'Gregor, Piesse, & Co. definitely refused to complete their contract with the Government, I must repeat my request that the draft of the proposed agreement be returned to the Crown Solicitor, and must at once telegraph our English agents that the negotiations for the proposed contract have been broken off by your clients.

I have, &c.

Messrs. GILL & BALL, Solicitors.

W. R. GIBLIN.

Macquarie-street, Hobart, 5th May, 1884.

SIR,

WE have the honor to acknowledge the receipt of your letter of Saturday, 3rd instant, which was delivered after office hours, and to inform you that as you have desired our clients to sign a contract as principals, they have been and are considering the subject, and we have no doubt that in a few days we shall be able to send you a reply.

We have, &c.

The Hon. the Premier.

GILL & BALL.

Macquarie-street, Hobart, 14th May, 1884.

SIR,

WE have the honor to inform you that Messrs. M'Gregor, Piesse, & Co. still decline to sign the contract as prepared by the Crown Solicitor, and in compliance with your request we have returned the draft to him.

An earlier answer would have been sent, but some delay was caused by Mr. M'Gregor's absence in Melbourne.

Our clients object to the statements contained in your letter of the 3rd instant that they have definitely refused to complete their contract, and have broken off negotiations for the proposed contract.

On 4th February last they wrote to you stating that on behalf of others they were enabled to enter into a contract, but although they wrote to you then and several times afterwards requesting that the draft of a contract might be sent to them, they did not receive it until 3rd ultimo. They then found that the Government desired them to enter into a contract as principals as well as on behalf of others, and from that time they have refused to sign such a contract.

As we are instructed, Messrs. M'Gregor Piesse, & Co. have not, nor has Mr. M'Gregor, at any time personally undertaken to provide a steam service to and from England by the boats of the Orient Steam Company, nor has he promised that the Orient Co. should perform the service, or

made any representations or statements as to his wealth or influence, and that whatever he has said was not intended to be construed into a personal liability, and was said prior to the negotiations now referred to.

Our clients further say that you are in error in stating that in January last they represented to the Government that they were exclusively representing the Orient S. N. Co., or that the service would be performed solely by vessels of that Company, and that you were aware that the Company would not perform the outward service.

With reference to your intimation that the Government are not disposed to enter into contracts with firms or persons with whom they have not been in correspondence, and of whom they know nothing, our clients feel assured that such "firms or persons" are quite able to maintain a steam service to and from England which will be satisfactory to the public as well as the Government.

We are further instructed to say that it was at your request the departure of the first homeward steamer should be deferred until May, and that you stated you saw no probability of preparing the contract in time, and that, as you are aware, the dates of departure have to be arranged between the Government and Mr. Yuill, the Manager of the Orient Company at Sydney. Mr. Piesse also stated that the variations which our clients refer to were not introduced into the draft contract at his suggestion nor with his consent, and that your attention to such variations was directed by them at their last interview with you.

Your refusal to give the necessary instructions to the London Agents of the Government in accordance with the request contained in our clients' letter to you of 24th ultimo, has probably caused loss and annoyance to their principals in London, and the whole responsibility of such refusal and of declining to contract with the company and firms referred to must rest with the Government; and we are further instructed to remind you that your previous instructions to the Government Agents had, in accordance with our clients' request, been given to Messrs. G. J. M'Caul & Co., under which instructions the first steamer was arranged for, and the outward service was commenced.

It is to be regretted that the establishment of the proposed steam service should in any way be delayed by differences between the Government and our clients, who are still anxious to see such service carried out.

We have, &c.

GILL & BALL.

The Hon. the Premier.

FURTHER CORRESPONDENCE WITH MR. JAMES MACFARLANE.

Hobart, 19th February, 1884.

DEAR SIR,

POSSIBLY you may have noticed in recent English Press Telegrams that the overcrowding of the Emigrant Steamer *Warwick Castle* has attracted the attention of the authorities. This is one of the vessels chartered by the Orient Company in their New South Wales Immigration Service, and is evidence that the Company had reason to say to you that they were pressed at present with work.

May I ask you to allow one of your clerks to furnish me with a copy of the proposal made in Sydney by the Orient Company.

Yours very truly,

JAMES MACFARLANE.

*The Hon. W. R. GIBLIN.**Hobart, 27th February, 1884.*

DEAR SIR,

I HAVE delayed to acknowledge your letter of the 19th inst., with its enclosure, anticipating ere this to learn some arrangement has been come to definitely between Messrs. M'Gregor and Co. and the Orient Company. This, however, has not yet reached me, and I can only conclude that the negotiations advised me as taking place are not yet completed.

I remain, &c.,

JAMES MACFARLANE.

*The Hon. W. R. GIBLIN.**Hobart, 3rd March, 1884.*

DEAR SIR,

IT will but be continuing the open candour with which our late negotiations were carried on for the Direct Steam Service if I say that to-day we are in receipt of advice that the Managers of the Orient Company have accepted M'Gregor's proposals "for eight homeward sailings, as being more workable under present circumstances."

I am, &c.

JAMES MACFARLANE.

Hon. W. R. GIBLIN.

MESSRS. MACFARLANE BROS. AND CO. TO THE PREMIER.

New Wharf, Hobart, 29th January, 1884.

DEAR SIR,

BELIEVING that a regular Steam Service from Tasmania to England may not be arranged at the present time, may we request that in any negotiations for the bringing out of Immigrants from either England or Scotland, the New Zealand Shipping Company may have an opportunity of bringing them to this Colony. A fine specimen of this Company's vessels is now in Hobart waters to our consignment. Their chartered steamer *Doric*, and their own magnificent steamer *Aorangi*, here a fortnight ago, is one of four they have available for service of a class not surpassed in the Colonies for passenger accommodation and attractive qualities; and the fact that these vessels have three to four hundred passengers paying their own passages, and the Company having agencies at all the leading English and Scotch ports, is a feature of great advantage that may be employed for Tasmania, and a fortnightly or monthly landing of immigrants well cared for, it is thought, may be of advantage in place of a larger number by special steamer at longer intervals and probably of a different character.

We are, &c.,

MACFARLANE BROS. & CO.

The Hon. W. R. GIBLIN.

TREASURER TO MESSRS. MACFARLANE BROS. & CO.

Treasury, 3rd June, 1884.

GENTLEMEN,

REFERRING to our numerous interviews on the subject of direct Steam communication between England and Tasmania, and to your intimation that a Director of the New Zealand Shipping Company was coming from New Zealand to Tasmania for the purpose of negotiating, I do myself the honor to remind you that some time has now elapsed since I was led to expect the arrival of the

gentleman referred to, and that up to the present time I have not had the advantage of an interview with him. May I request you to be good enough to inform me when you will be able to submit any definite proposals on behalf of both the Orient S.N. Company and the New Zealand Shipping Company?

I have, &c.

J. S. DODDS.

Messrs. MACFARLANE BROS., *Macquarie-street.*

TREASURER TO CROWN AGENTS.

TELEGRAM.

Hobart, 15th May.

CANCEL letter 26th February *re* goods by direct steamers. Contract fallen through. Will write.

TREASURER.

Crown Agents, London.

*Offices of the Crown Agents for the Colonies,
Downing-street, London, S.W., 16th May, 1884.*

SIR,

I HAVE the honor to inform you that on the 15th inst. we received the following telegram from you: "Cancel letter 26th February *re* goods by direct steamers. Contract fallen through. Will write."

I have, &c.

E. E. BLAKE.

The Hon. the Treasurer, Hobart, Tasmania.

TREASURER TO MESSRS. M'GREGOR, PIESSE, & CO.

15th May, 1884.

GENTLEMEN,

I HAVE the honor, at the request of the Hon. the Premier, who is unwell, to acknowledge the receipt of your letter dated the 14th instant, but which was only received to-day.

As all the negotiations in reference to the direct Steam service with England are now at an end by reason of your clients having definitely declined to sign the contract for the performance of such service, it is unnecessary that I should specifically reply to all the statements contained in your letter; but I have to observe generally that Ministers are quite unable to reconcile them with what actually took place during the negotiations, as shown by the correspondence and documents in the possession of the Government, and their own knowledge of the details of the arrangements they made.

One illustration will serve to show how seriously mistaken Messrs. M'Gregor, Piesse, and Company are as to the true state of facts. Your letter contains the following passage: "Nor has he" (Mr. M'Gregor) "promised that the Orient Company should perform the service;" and again, "our clients further say that you are in error in stating that in January last they represented to the Government that they were exclusively representing the Orient Steam Navigation Company, or that the service would be performed solely by vessels of that company, and that you were aware that the company would not perform the outward service." It is difficult to conceive how the Government could have been in error in supposing that your clients were "exclusively representing the Orient Steam Navigation Company, or that the service would be performed solely by vessels of that company," in view of the following letter, dated the 6th of February, and published by Messrs. M'Gregor, Piesse, and Company in *The Mercury* of 7th of February last:—"The Contract for Direct Steam Communication with Europe.—To the Editor of *The Mercury*.—Sir: Permit us in a few words to solve a mystery. The contract undertaken by us is on behalf of our London correspondents (Messrs. Gilbert J. M'Caul & Co.) and the Orient Steam Ship Company. The latter company having honored us with their sole agency at this port, removes any doubt in the minds of the public and the gentlemen signing themselves 'The Hobart Agents of the Orient S.S. Company.' Intimation of the change will reach them from head quarters in due course. The service will be second to none in the colonies, as it will be performed by the well-known steamships belonging to the company, and it is therefore unnecessary to use your space in eulogising their undoubted first-class qualities.—Yours, &c., M'GREGOR, PIESSE, & Co., 1, Elizabeth-street, February 6th."

The difficulty is increased, and becomes apparently insurmountable, when it is remembered that previously to the above publication the Government had the assurance of your clients that the service they agreed to provide was to be performed by the first class powerful steamers then actually belonging to the Orient Company, and not by other boats chartered by that company.

I will not trouble you with correction of other inaccuracies; but I have to express the regret which Ministers feel at so much time having been expended in negotiations which have resulted fruitlessly through your clients declining to complete the arrangements which they had entered into.

I have, &c.

J. S. DODDS, *Treasurer.*

Messrs. GILL & BALL, Solicitors, Hobart.

TREASURER TO THE BOARD OF IMMIGRATION.

Treasury, 20th May, 1884.

SIR,

I HAVE the honor to inform you that fresh negotiations have been commenced for a direct Steam service between England and Tasmania, and I have, on behalf of the Government, to request that you will favour me with the views of the Board as to the introduction of a stated number of immigrants monthly, and to ask whether the Board is still willing to co-operate with the Government to the extent of permitting the emigrants to be brought out by the contract line of steamers?

I have, &c.

*The Hon. W. MOORE, President of the Board
of Immigration.*

J. S. DODDS.

Hobart, 20th May, 1884.

SIR,

WE have the honor to acknowledge the receipt on 16th instant of your letter dated 15th instant.

Our clients say that the Government have, by the action they have adopted, caused the delay which has occurred with reference to the Steam service, and that our clients' letter to the Editor of the *Mercury* shows that their contention is correct,—viz., that they accepted the contract on behalf of Messrs. G. J. M'Caul & Co., and also for the Orient Steam Navigation Company.

The draft contract reached our clients two months after their letter of 4th February last, and they then found that the Government had included their names as contractors with those of the contracting parties, and, consequently, they declined to sign such a contract, as they would by entering into it have made themselves personally liable for the performance of a service undertaken and intended to be performed by others. The names of the contracting parties, other than those who had been named in our clients' letter of 4th February last, were furnished by them to the Premier so that he might insert them in the draft contract. Such names were inserted, and our clients are at a loss to know why they should have been inserted if the Government looked to our clients as the sole contractors.

They also say that the Government were well aware that the outward service would be performed by vessels chartered by the Orient Company for the conveyance of emigrants to Sydney, or similar vessels, and that the Premier was informed to that effect by our clients; and that the words "or by steam vessels equal in character to the steamers ordinarily employed by the said Company on their steam services between England and Australia," inserted in the draft contract, were intended to refer to the vessels chartered by the Company for emigration purposes, or similar vessels.

Our clients further state that at the time they wrote the letter to the Editor of the *Mercury* they had been informed that the Mail vessels employed by the Orient Company, or steamers of a similar class, would be employed in the homeward service, and say that the Government had no right to expect that any contract would (in consideration of a subsidy of £4000 per annum) be made enabling them to require that such vessels should be employed in the outward service, and that, as the Premier was expressly informed that the emigration vessels or similar vessels would be used in the service, you must be greatly in error in saying that previously to the publication of that letter "the Government had the assurance of our clients that the service they agreed to provide was to be performed by the first class powerful steamers then actually belonging to the Orient Company."

Our clients instruct us to remind you that the outward service has been commenced by the instructions of the Premier, and that they have been informed by cablegram by the contractors for the outward service that they will continue to carry it out; and again to intimate that the whole responsibility in this matter must rest upon the Government.

Our letter of the 14th instant was, we find, delivered at the Hon. the Premier's office on that day.

We have, &c.

GILL & BALL.

The Hon. the Treasurer.

Treasury, 24th May, 1884.

GENTLEMEN,

I HAVE the honor to acknowledge the receipt of your letter of the 20th instant, and to inform you that Ministers, after giving every consideration to it, are unable to alter their views as conveyed to you in my former letter.

As regards your statement that "your clients are at a loss to know" why other names were inserted in the draft contract "if the Government looked to Messrs M'Gregor, Piesse, & Co. as the sole contractors," I have to remind you of the fact, which you appear entirely to have overlooked, that in the rough draft contract sent, at your clients' request, to them personally in the first instance, the contracting parties were "The Honorable Alexander M'Gregor and Charles Augustus James Piesse, both of Hobart, in Tasmania, Merchants, trading under the style and firm of M'Gregor, Piesse, & Co., and contracting on their own behalf and on behalf of the Orient Steam Navigation Company, Limited."

Subsequently Mr. Piesse called upon the Hon. the Premier and informed him that other firms were interested in the service to be performed by the Orient Steam Navigation Company, and asked that the names of such firms might be inserted in the contract, as such a course would please them; but it was never suggested that your clients were not the sole contracting parties, or that they were not solely responsible to the Government for the performance of the contract. On the contrary, previous to this, during the negotiations, Mr. M'Gregor had offered to give security to the extent of £20,000 for the due carrying out of the service if the Government desired it.

In regard to your clients' statement that "at the time they wrote to the Editor of the *Mercury* they had been informed that the Mail vessels employed by the Orient Company, or steamers of a similar class, would be employed in the *homeward* service, and that the Government had no right to expect that any contract would be made (in consideration of a subsidy of £4000 per annum) enabling them to require that such vessels should be employed in the outward service," I have to observe that your clients in their published letter did not give the public the information they possessed, nor did they honor the Government with their confidence, but stated that the service—i.e., the whole service—was to "be performed by the well-known steamships belonging to the Company." This letter agrees with the assurance previously given to the Government,—my statement in regard to which Ministers adhere to,—that the service would be performed by vessels *actually belonging* to the Company, but it does not accord with your clients' present statement that the "outward service was to be performed by vessels *chartered* by the Company."

It is also necessary to remind you that the Government never agreed to pay a subsidy of £4000, but consented, at your clients' special request, and for their convenience only, to apportion the subsidy of £12,000 which they had agreed to pay in the manner indicated in the draft contract.

I have specially referred to the foregoing points of difference because it appeared to me that your clients could very readily satisfy themselves of the inaccuracy of their recollection concerning them; and Ministers do not admit the correctness of the other statements contained in your letter, but I have refrained from refuting them for the sake of brevity.

I have again to inform you that all negotiations were put an end to by the refusal of your clients to enter into a contract, and that the Government do not recognise any responsibility respecting some service which you say has been commenced, but by persons of whom the Government know nothing.

As all negotiations between the Government and your clients are at an end, you will pardon my suggesting the inutility of further correspondence on the subject.

I have, &c.

J. S. DODDS, *Treasurer.*

Messrs. GILL & BALL, Solicitors, Hobart.

Hobart, June 10th, 1884.

SIR,

WE have the honor to acknowledge the receipt of your letter of 24th ult.

Our clients consent to the termination of the negotiations, and therefore further correspondence on the subject is unnecessary, except for the purpose of refuting the erroneous statements contained in your letter of 24th ult. They inform us that the rough draft contract referred to by you was never received by them; that they never saw any draft contract until Mr. Piesse had an interview with the Hon. the Premier, at the request of the latter, in order to go through the draft; that they wrote to the Premier on 29th March last for the draft, but he refused to allow it to go out of his office, saying that Mr. Piesse must call and go through it with him; that, at this interview, the names of such of the intended contractors as had not previously been stated in the draft were inserted, and that you are in error in saying that Mr. Piesse said that "such a course would please them," or that Mr. McGregor offered "to give security to the extent of £20,000 for the due carrying out of the service if the Government desired it."

With reference to the letter in *The Mercury*, our clients repeat their statement that the Premier was informed that the outward service would be performed by vessels chartered by the Orient Company; that the words in the draft contract—"or by steam vessels equal," &c.—were intended to refer to such vessels; and that there is nothing in the draft contract to bind the contractors to employ vessels *actually belonging* to the Company: and we are instructed to inform you that nearly all the vessels engaged by the Company in the Australian trade are *chartered* by them, and that the vessels *actually belonging* to them are wholly insufficient in number to carry out the services.

We have, &c.

GILL & BALL.

The Hon. the Treasurer.