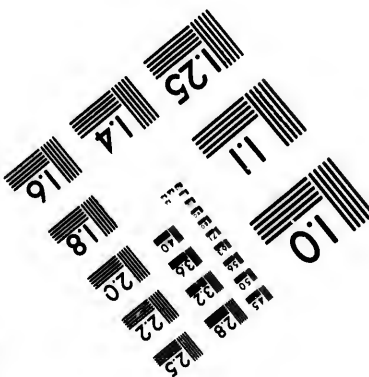
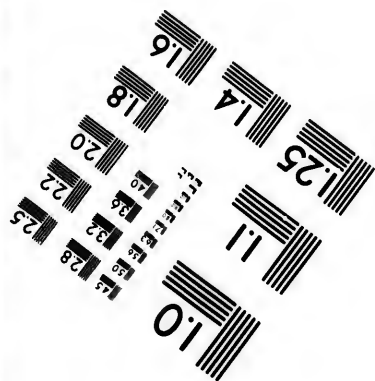
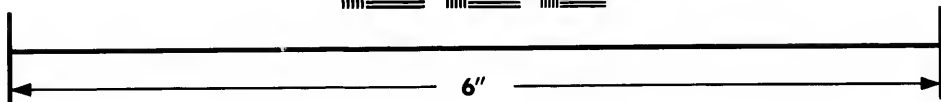
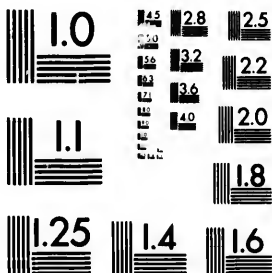


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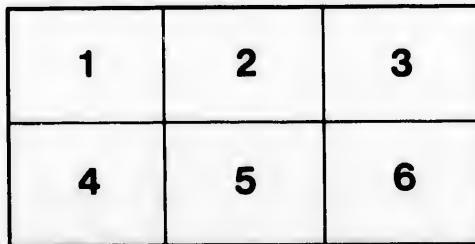
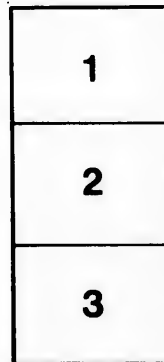
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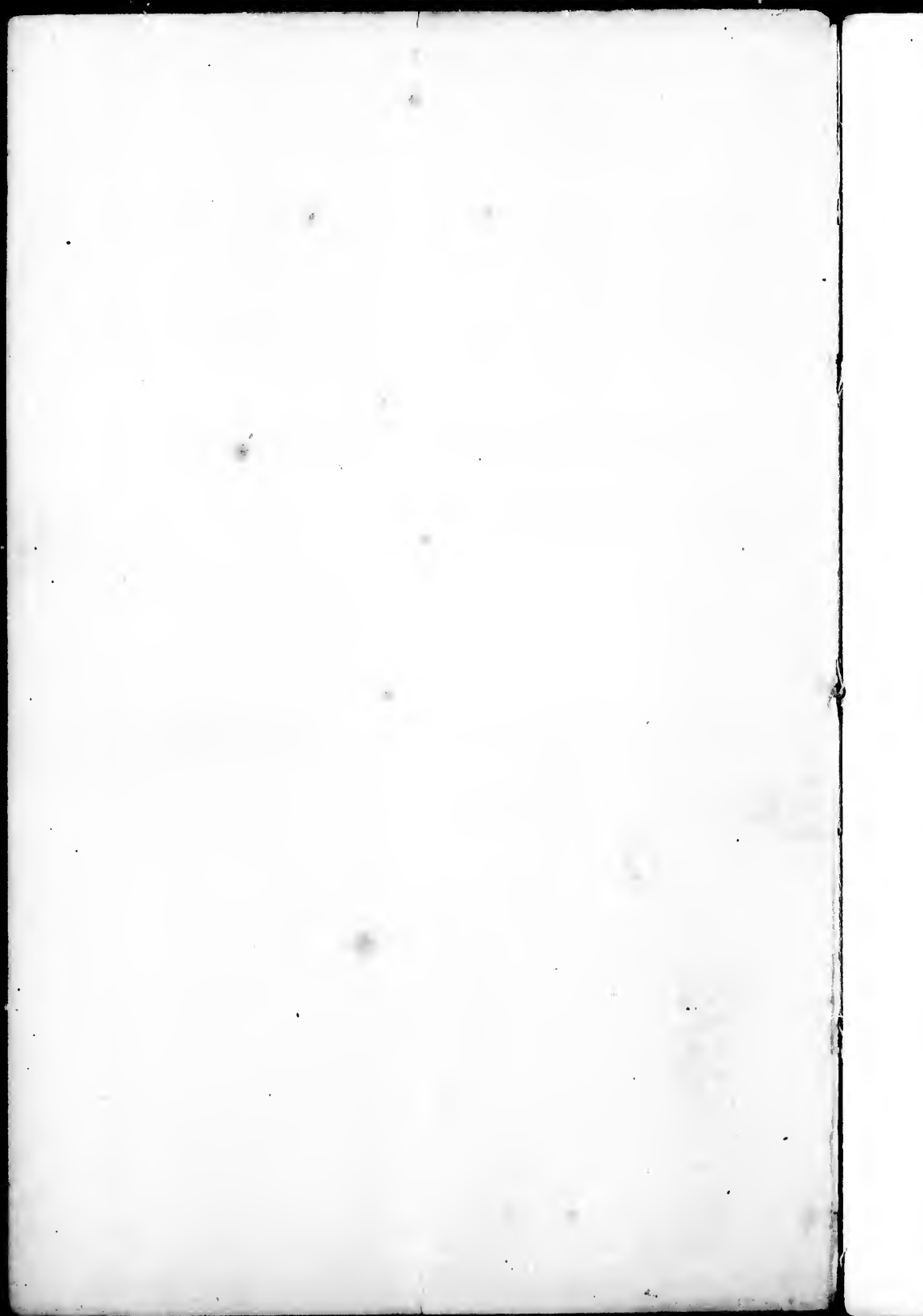
CORRESPONDENCE
ON
THE PROPOSED
CANADIAN FAST MAIL SERVICE

ADDRESSED TO
THE POSTMASTER-GENERAL

AND TO
THE "TIMES."

MCCORQUODALE & CO. LIMITED, PRINTERS, GLASGOW AND LONDON.

1894.



CORRESPONDENCE

ON

THE PROPOSED

CANADIAN FAST MAIL SERVICE

ADDRESSED TO

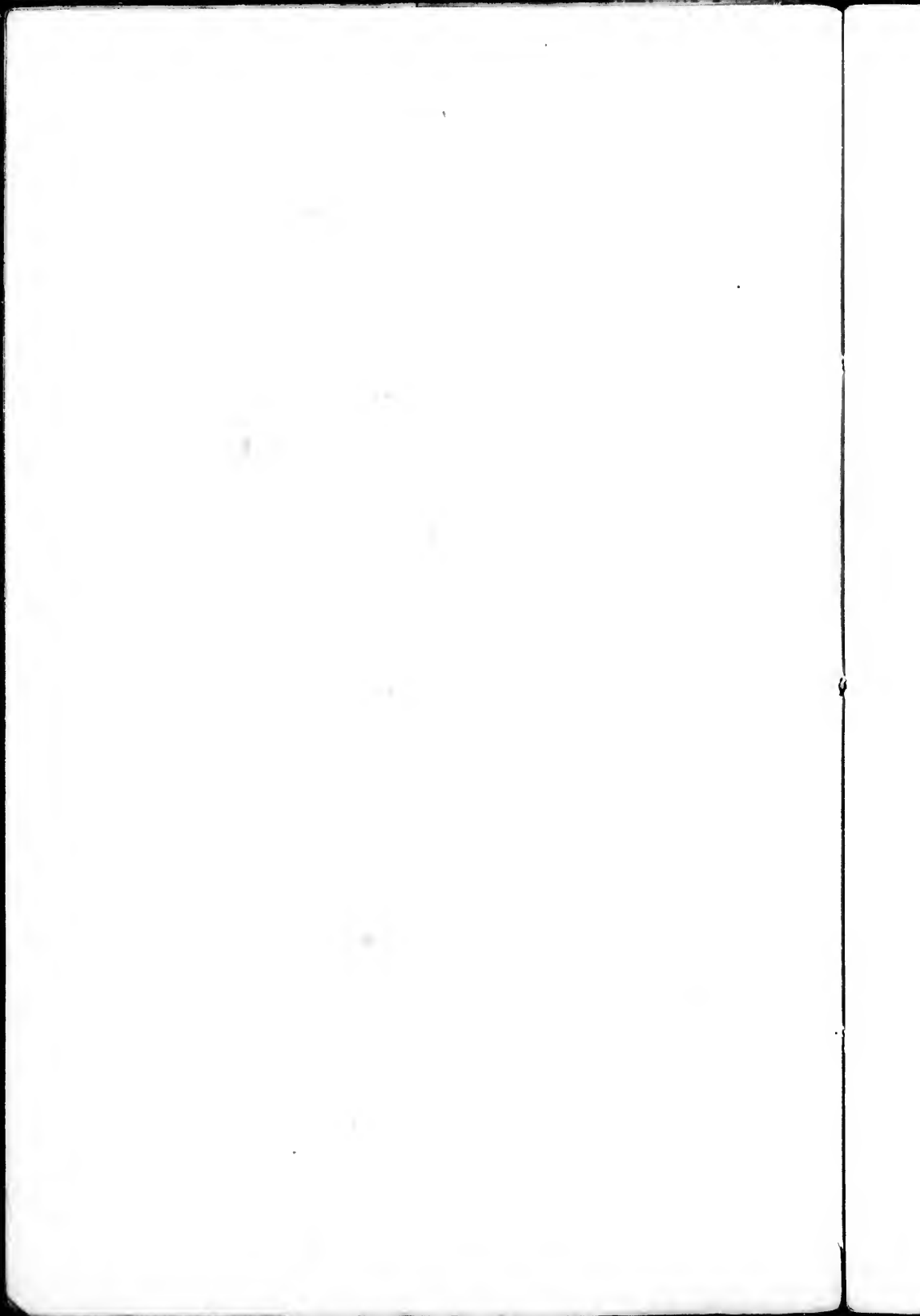
THE POSTMASTER-GENERAL

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THE "TIMES."

MCCORQUODALE & CO. LIMITED, PRINTERS, GLASGOW AND LONDON.

1894.



25 BOTHWELL STREET,
GLASGOW, 13th December, 1894.

The Right Honourable
ARNOLD MORLEY, M.P.,
Postmaster-General.
London.

SIR,

The report of Lord Jersey upon the proceedings of the Ottawa Conference, in so far as it deals with the Canadian Transatlantic and Pacific Postal Service, will doubtless be receiving the consideration of your Department as well as that of the Ministry, and it may be of service that you should have at hand, in an accessible form, the correspondence that has taken place through the *Times* newspaper upon the subject of the Canadian Fast Mail Service.

With that object we have printed the correspondence in the order of its date, and have prefaced it with the letter we addressed to yourself upon the subject in August last, and we hope it may throw some light upon the question which has been raised with regard to the subsidizing of the services. Further copies of the correspondence may be had on application to us.

As regards the report itself, having only been able to obtain a copy to-day, we have not had time to do more than glance at it.

We observe, however, that Lord Jersey is under the impression that while paying a large sum per annum to the Liverpool-New York mail steamers, the British Post Office gives no assistance to the direct postal line between Great Britain and Canada. But this is a mistake, as the British Post Office has all along paid poundage on the mail matter carried by the Canadian mail steamers from Britain, as they do on that carried by the Liverpool-New York steamers, but, owing to the Canadian Government paying to their mail steamers their subsidy, the Canadian mail poundage is paid to the Canadian Government instead of to the carrying steamers, and this payment to the Canadian Government goes towards the recoupment of their subsidy.

Lord Jersey suggests that a portion of the mail money presently paid to the Cunard and White Star Lines (which, as mentioned, is a rate per pound of mail matter carried) should be diverted to the proposed Canadian fast line, whereby a large part of the additional subsidy sought for it from the British Government could be provided.

Obviously it can only be diverted by transference of the mail matter carried by these lines to the Canadian steamers, and Lord Jersey is in error in thinking it can be applied towards the augmentation of the mail money, for the Canadian Ministry, when asking Parliament to sanction the payment of the subsidy they are offering for the new service, represented that much of their increased subsidy would be repaid to them by the increased poundage that would come to the Government as a result of the acceleration of the service.

Lord Jersey discusses the delays from fog dangers on the Canadian route in contrast with those on the New York route, claiming that they are practically on a par, and do not seriously disturb either the one service or the other.

A perusal of our correspondence will make clear where they differ, and the serious misapprehension on this subject under which Lord Jersey labours.

We are, Sir,

Your obedient Servants,

JAMES & ALEXANDER ALLAN.

CANADIAN FAST MAIL SERVICE.

GLASGOW, 24th August, 1894.

The Right Hon. Arnold Morley, M.P.,
Postmaster-General, London.

Sir,

Some years ago when the question of the fast Canadian mail service was first mooted, and suggestions were made to us by the Canadian Government for supplying the same, we entered into informal communication with your department with a view to learn whether the British Government would supplement the subsidy which the Canadian Government were offering for this service. We then learned that the direct supplement which we had hoped might be given could not be, and our recollection is that it was explained to us that, while a direct subsidy was not and could not be granted, this country did give substantial aid to the service, under an arrangement whereby certain postal revenues collected for mail matter conveyed by the Canadian mail steamers remain in the hands of, or were given over to, the Canadian Government.

May we ask if this arrangement is still in force, and if the views of the British Government remain unchanged? *

When the 20-knot-at-sea service was submitted to the "Allan" Line, in association with the subsidy of \$750,000, no suggestion was made that this subsidy might be augmented by a direct payment from the British Government. That suggestion is now coming into prominence, and, we remark, is receiving countenance from the recent Canadian convention. We venture to ask if there is any probability of such aid being given, and whether, if this country is to give such aid, it will be given under the conditions either that the existing contractors, who have so long performed the service, have an opportunity of tendering for it in its altered

shape, or the proposals be offered to public competition. We would regard it as unfair that a scheme, which could not hope to be successful in the form it was first presented, should, by the help of the British Government, be rendered possible of success in the hands of a stranger, without the present or other contractors having any opportunity to consider it.

Our own position in the question has been set forth in a series of letters we, this month, addressed to the *Times* newspaper, and may be briefly summarised as follows:—

The Canadian route necessitates steamers traversing, during the Canadian season, seas and land-bounded waters that are frequently beset with dangers from ice and fog, and, because of this, the high speed required for the new service could not safely be utilised: And, therefore, it would not only not serve the end contemplated of providing a service that would equal that over New York, but could not hope to be self-supporting from passenger and freight traffic unless enormously supplemented by Government subsidy—hence the Allans' inability to undertake it at the subsidy offered.

We urged the Government, because of these climatic disadvantages, to content themselves with a good but more moderate speed, which could easily be provided for less expenditure, and without taxing so severely the resources of the Dominion. Obviously it is unwise to waste money in providing steamships of enormous power and limited carrying capacity to run at a speed which oftentimes would have to be suspended or slowed down, and to get which an enormous subsidy has to be paid, when a less and yet a fast service could be given for greatly less cost, and which would, by reason of the shorter mileage, compare favourably with the voyages of swifter boats on longer routes.

If the Government had concurred in this view, the Allans, who had for 40 years supplied the service, would have undertaken to provide the new. But their contract has been placed in the hands of a stranger, who at first represented to the Government that it could not be fulfilled for the subsidy it offered, but required a very large addition thereto—about £75,000. Subsequently he undertook to float a company in Britain on the Government terms, and he should be left to fulfil his undertaking. If it cannot be floated as it stands, we repeat it would be unjust that what could not be

successful in the form he undertook it, should be rendered possible of success by help of the British Government, without the present contractors for the mail service, or anyone else, being permitted an opportunity of considering it in its altered shape.

We are, Sir,

Your obedient Servants,

JAMES & ALEXANDER ALLAN.

* The Post Office Department was unable to reply on the points of policy raised, but as to the practice in regard to the disposal, &c., of postage on mail matter by the Canadian mail steamers, answered, in effect, that the Canadian Government received all the postage earned, except enough to pay the inland postage of Great Britain.

CANADIAN FAST MAIL SERVICE.

MESSRS. ALLAN.

TO THE EDITOR OF THE *TIMES*.

SIR,—The Canadian Government have now definitely voted the subsidy of \$750,000 which, a few years ago, they had provisionally offered to the late Mr. Bryce Douglas, of the Barrow Shipbuilding Company, for a 20-knot weekly service between this country and Canada (Quebec in summer, Halifax in winter), and they have made a provisional contract with Mr. James Huddart to provide the service, allowing him three months to raise the necessary capital. The subsidy is to be given for a period of ten years, after which it is to be reduced by one-third for a like period. The Finance Minister estimated the cost of running the boats at \$60,000 per round voyage, or \$3,120,000 per annum.

Discussion in
Canadian
Parliament.

In the discussion of the vote in the House Sir Richard Cartwright, the leader of the Opposition, and Mr. Laurier are reported to have dwelt upon the dangers attending the navigation of the Gulf and River St. Lawrence, and the impossibility, because of these, to maintain with safety the required speed; and, as the success of the service financially depended upon speed and safety, and as the payment of the subsidy was contingent upon speed and continuity of service, they predicted for it failure.

Unfair stric-
tures upon
the Allans.

Sir Charles Hibbert Tupper, on the other hand, maintained that the St. Lawrence was one of the finest and safest waters in the world, and added that in 20 years not a single mail steamer had been lost in the river or gulf. Had Sir Charles stopped here, or confined himself to justifying his opinion by reference to

authorities engaged in the navigation, we might have remained silent on the subject ; but he went out of his way to blame parties for circulating reports about the safety of the St. Lawrence, and pointed his allusion to the Allan Line by deprecating "the conduct all the more as it proceeded from those who feared their private interests would now be affected, and who from the very outset had been aided by Government subsidies."

Representatives in this country of the Allan Line, we feel aggrieved to be thus held up as opposing for personal reasons a scheme which is so generally desired, by misrepresenting the true character of the navigation, and we venture to ask the favour of a place in your columns to make the Allans' position in this matter clear.

When the Government sought to establish a service that would vie with those running to New York, they naturally looked in the first place to the Allans to supply it.

Their knowledge of the business, their experience of the **Their defence.** St. Lawrence navigation, and their personal interests all indicated them as the parties to provide it, if the scheme were feasible. From the beginning of the mail service in 1855 they had provided it. Losses in the prosecution of the service, due to the dangers of the navigation, did not deter them from continuing it in earlier years, and their loyalty to the Dominion has made them cleave to it in later, long after it has ceased to be remunerative. When they could not undertake the more ambitious scheme on which the Government had set their heart, believing it would fail financially and disappoint the expectations of the Government, the Allans, without pressing it upon them, offered at less cost to the Dominion to provide the highest class of service which, in their view, is suited to the St. Lawrence.

It was, therefore, unfair for anyone to say that the Allans opposed the scheme in other hands because they feared that their private interests would be affected. It was well known that they had an opportunity, if they wished, to share the new service, both Mr. Bryce Douglas and the present contractor having sought their co-operation.

Why could not the Allans, it may be asked, take part in it ; is not the navigation all that Sir Charles H. Tupper describes it ? It is true that the navigation has been improved by buoys and lights

Why the Allans could not undertake the service.

and beacons, which have in bounteous measure been provided by the Ministry of Marine. It is also true that in 20 years not a mail steamer has been lost in the river or gulf; but it is nevertheless the case that, barring mail steamers, every line trading for any length of time to the St. Lawrence has had serious marine disasters, and a new crop springs up every season.

History of the navigation by mailsteamers and how safety was attained.

What was the Allan history? In the earlier years of their contract, although the speed was not half that now required, it had to be maintained under penalties, and in trying to fulfil its terms they lost between 1860 and 1864 six mail steamers. In 1864, when the contract was renewed, they got the following clause introduced:—

“That the steamers are never to approach Cape Race when the weather is so foggy or tempestuous as to make it dangerous to do so, and when the presence of fog or ice makes it dangerous to run the vessels at full speed it shall be the duty of the captain either to slacken the speed or to stop the vessel as occasion may require, and the time lost by doing so, if proved to the satisfaction of the Postmaster-General, shall be allowed to the contractor in addition to the time specified for the length of the voyage.”

When that proviso became operative the good record of the mail service began. Their immunity from disaster is due to the fact that speed is now subordinated to safety. But speed under the new contract cannot be intermitted if the steamers are to compete with Campanias and Lucanias.

Ice dangers.

When the warmth of summer brings down Arctic ice into the ocean track the New York steamer can, with little increase of mileage, choose a southern route, and career at speed through fog, fearless of ice or land, until she reaches off her port. But how can a vessel that must enter the St. Lawrence do this where the gateways are near Cape Race or the Straits of Belle Isle? It is impossible; and how can she safely go at 20 knots through fog when within land-bounded waters? If it be contended that navigation is now made safer than formerly, we answer it is mainly due to increased watchfulness, for no beacons or lights can turn aside the dangers of ice and of fogs in land-locked seas.

Examples.

What has our own experience been this very season, now not half over? One of our cargo steamers has been in contact with an iceberg, and had her bow stove in, escaping loss solely by her

moderated speed— $3\frac{1}{2}$ knots. Another has had her bottom injured and nearly ripped from stem to stern, by being brought too near the headland of Father Point by an experienced pilot, and this against our express injunctions to give headlands a wide berth. Two others coming out of the Straits of Belle Isle, after mid-summer, passed through icefields, only escaping injury by going slow.

The St. Lawrence route, river and gulf, are not waters where a 20-knot speed can safely be maintained, and if speed be required to develop the passenger trade that is to provide the bulk of the earnings to meet Mr. Foster's estimated \$3,120,000 expenditure and yield a return on capital, it must be admitted that the outlook is not bright.

But this is only one branch of the difficulty the proposed service has to contend with. Another difficulty.

A new terminus has to be found in winter. Unlike New York, which is in itself an enormous centre of population and commerce, with the whole railway system of the United States converging on it, Halifax, the winter terminus of the proposed line, and Quebec, the summer, have no local trade worth considering. Everything must be railway-borne—in winter over the Intercolonial Railway, and in summer over one or other of the two trunk Canadian lines.

These railways are independent enterprises, with interests of their own to look to. Railway rates must be a first charge on all through earnings. The normal condition of things among railways is that they work at uniform rates under a combined agreement. When keen competitions arise among ocean carriers—which is, unhappily, the normal state of things with them, and would certainly await the advent of a new competitor—a fall in through rates has to be wholly borne by the ocean carrier. It was not, therefore, a cheerful look-out for a line that has to develop a great trade that it should be dependent practically upon the co-operation and good-will of railways, however friendly, that were to have no stake in the undertaking.

Steamers of immense power and cost to build and run, and whose cargo-carrying capacity is in the inverse ratio of their speed, and whose speed cannot, by reason of the character of the navigation, be fully utilized, and which are to be run under the Speed cannot be utilized.

disadvantages we have indicated, are surely not hopefully circumstanced, and we appeal to you that the Allans should not be decried because they could not countenance the scheme.

We are, yours truly,

JAMES & ALEXR. ALLAN.

25 Bothwell Street, Glasgow, 9th August, 1894.

MR. HUDDART.

TO THE EDITOR OF THE *TIMES*.

SIR,—A year ago, after some months' close negotiation with the Dominion Government, I concluded a ten years' contract for the establishment of a steamship service between Canada and Australia.

The Government of the Dominion of Canada then did me the honour to invite me to take up the question of the fast Atlantic service, with the view to forming a company. I promised Sir John Thompson and others of his colleagues that I should study the subject. After six months' experience in the Canadian-Australian trade I found we were suffering greatly by being unable to get our through passengers satisfactorily from Canada to England, and that our mails were nearly always delayed.

Returning to Canada from England in February last, I resolved, if the Dominion Government were still desirous of my forming a company, that I should essay the task.

It is sufficient to say that, after three weeks' negotiation with the Dominion Government, I returned to England with a provisional contract for ten years in my pocket. The correspondence between the Government and myself, which formed the provisional contract, simply states that we are to build steamers for the Atlantic which shall be capable of steaming 20 knots at sea in ordinary Atlantic weather. There is no doubt the subsidy will be renewed for the full \$750,000 per annum.

It was my suggestion that the Government should give me three months in which to complete my negotiations in England;

and on this point I may say that last month I arranged with Sir John Thompson that, if I found it desirable, I could have until at least next May in which to form a company, and there is no probability of the Government interfering with us so long as they are satisfied that we are energetically prosecuting the scheme.

On my return to England in March, I wrote to the Messrs. Allan inviting their co-operation. A somewhat lengthy correspondence ensued, when it became evident that the interests were irreconcilable. After a long silence the Messrs. Allan telegraphed asking if they came up to town next day I could give them an appointment. I met Mr. Dunlop and Mr. Robert Allan in the Hotel Victoria. An hour-and-a-half's conversation ensued, and it was thus crystallized at the conclusion. Mr. Dunlop said, "It is our business to discredit your project, but if you are going to succeed we cannot afford to be out of it." I said, "Wherever your hand is seen it will be recognised that you are an interested party," and Mr. Allan admitted that such discovery would greatly discount anything they said against the project. Messrs. Allan lost no time in pulling the wires in Canada, and it is fair to them to say that they exhausted all the usual means to destroy at the outset all possibility of Canada realizing her delayed ambition; and it is the strongest evidence of the determination of the statesmen and people of Canada to have this fast line that, in spite of all the Messrs. Allan were able to do, and in spite of (or possibly because of?) a falling revenue, the bill giving a subsidy of \$750,000 for the steamship service was passed into an Act without a division in the House of Commons. Messrs. Allan having thus been thoroughly beaten in Canada, I was not surprised, on opening the *Times* of this morning, to find a letter from them which, while it pretends to be written to put themselves right on a personal point, is really a skilful and adroit effort to kill at the centre of the Empire the scheme for the formation of a company to enable Canada, and the friends of Canada and of Imperial Federation, to fulfil their natural and long-deferred ambition.

The name of the late Mr. Bryce Douglas has been mentioned. In my correspondence with the Messrs. Allan I pointed out that the fact that Mr. Douglas died in the middle of his efforts to form the company is a sufficient answer as to why he did not succeed. What is everybody's business is nobody's business, and unless some

Writes the
Allans.

Interview and
its results.

Bryce
Douglas'
scheme.

one man, suitably trained and with sufficient experience, shall be prepared to give the whole of his time and energy to this great work, success will never be reached.

Now, sir, if Messrs. Allan's letter has any arguments it is that this scheme is not feasible, because at the threshold we are met by the stern forbiddance of nature.

Sir C. H.
Tupper's
views.

Upon this point I should like to be allowed to reproduce the remarks of Sir Charles Hibbert Tupper, the Minister of Marine, and the report from his officers, but the demands of your space are inexorable. The following points occur:—

“Any contention that high speed cannot be maintained in the gulf in consequence of the danger of navigation is not borne out by the facts. The gulf can be described as a fine open stretch of water, remarkably free from outlying dangers. There is no more difficulty in a steamship running at a full speed, under ordinary conditions of weather, from the entrance of the gulf to within 60 miles of Quebec, than in maintaining full speed on the open Atlantic.

“There is necessarily a slight element of danger in thick weather in consequence of the relative proximity of land, but this danger is certainly no greater than the danger that arises in approaching land on any of the Atlantic coasts. In fine weather, or even in bad weather, if clear, the gulf coasts are now efficiently lighted and fairly well provided with fog signals, to which we are steadily adding. In thick weather speed must be reduced whether a vessel is in the gulf or in the open Atlantic, but in the gulf there is not the same liability to fog that is found on other portions of the Atlantic coast, and the path of cyclonic storms always trends to the south of the gulf, and consequently extremely bad weather is not encountered in that vicinity.

“The fastest vessels hitherto used in the St. Lawrence trade have found no difficulty in navigating it at full speed, except, as before stated, in exceptionally bad weather, which may be met on any route, which, when met, will unavoidably delay vessels, as they are now often delayed in the English Channel, in the Irish Channel, on the Banks of Newfoundland, and in the approaches to New York. If a 17-knot vessel can run at full speed, there is nothing to prevent a 25-knot vessel from similarly keeping up her full power.”

I would ask, with ice or rocks ahead, what more would happen to a steamship going at the rate of 19 or 20 knots as against a steamer going at the rate of 16 or 17 or even 10 knots? We must remember the great facilities which are now placed at a master's command by reason of twin screws and enormous power. Oarsmen know what happens when, with a pair of sculls, the one is propelled in a forward direction and the other in a backward. Now the steamships we propose to build shall have an indicated horse power, at sea, of at least 20,000. Imagine 10,000 horse power exerted on the starboard propeller going ahead, and a similar power exerted on the port propeller going astern, with additional assistance of the rudder; how quickly danger may be averted. I maintain that, with a cool and experienced commander, if you give him half a chance, he will avert disaster. Not so with your low-powered single screw steamships. An effectual answer to the maligners of the St. Lawrence route is that it has been navigated by mail steamships for the last 20 years without a loss occurring. If any steamship is justified in going at 13 or 14 knots, then I boldly say that, in similar circumstances, our proposed steamships will safely do 20 knots. That goes without saying in the open ocean, and it certainly is true of the St. Lawrence. This gulf is a great gift of nature to the British Empire, and it is high time that its natural advantages of being the nearest sea route to and from Europe should be fully utilized.

Speed no
difficulty

Messrs. Allan infer that we have undertaken to maintain a speed throughout of 20 knots, or submit to penalties. We have not been asked by the Dominion Government, and it is not our intention, to do anything of the kind; but we notice that a sinister influence has been put upon the Dominion Government and its friends to suggest such terms of contract as shall discredit us and our scheme before the world. I venture to say the enemies of the project will not succeed in this effort to make our work more difficult.

Speed not to
be main-
tained.

We propose to carry the passengers and mails between England and Canada in precisely the same way that they are being carried between Liverpool and New York. Instructions to the commanders shall be to reach Canada safely, speed being at all times secondary to safety. They will have discretionary power as to speed, the Government of the Dominion being satisfied that our interests

must be to secure traffic, and that in order to secure traffic the speed of the steamships must be fully utilized when it is safe. Further than that the Dominion Government will not ask us to go, the essence of the contract being that the steamships shall be capable of doing the speed, weather and circumstances permitting.

Comments on
the Allan
letter.

Messrs. Allan ask us to believe that loyalty to the Dominion has made them cleave to their present business long after it has ceased to be remunerative, *i.e.*, that the hundreds of thousands of pounds which they have admittedly earned in past years are now being, from patriotic motives, given back to the community from which it was won. Here it appears to me that Messrs. Allan prove too much. Surely they should wish to be relieved from that unprofitable position, and it is not consistent of them to continue their efforts to destroy our great enterprise.

Referring again to the navigation of the St. Lawrence, Messrs. Allan say, "If it be contended that navigation is now made safer than formerly, we answer that it is mainly due to increased watchfulness."

Case given
away.

Here, I think, the Messrs. Allan give their case away. By reason of increased watchfulness no mail steamships have been lost in the St. Lawrence for 20 years. But it appears that in other than mail steamships accidents have happened, and this brings us to the factor we have always to face in these matters—the human factor—the difference between the one man and the other.

Railway
Connections

Messrs. Allan call attention to the fact that a new terminus has to be found in winter. This is a well-known fact, and, of course, justifies the Dominion Government in granting so generous a subsidy as £3,000 per week; and we find that, as in everything else, there are compensations in trading direct to Halifax. Messrs. Allan try to show that it is a disadvantage to have to work with three great Canadian railways. It appears to me that if we had not these railways to help us the position would be more difficult.

C. P. R.

In connection with our Pacific trade it was necessary for us to conclude a ten years' agreement with the Canadian Pacific Railway. After 18 months' experience it is only fair to say that they have met us in a liberal spirit; that we have done our business on the give and take system, making through rates on an equitable spirit; and from my experience of the President, Vice-President, and management of the Canadian Pacific Railway, I look forward con-

fidently to their rendering vital assistance to the proposed swift Atlantic service, and this on the grounds of self-interest.

I have promised the Dominion Government, during the continuance of my health and energy, to manage the proposed steamship company, a company which is imperatively necessary to Canada for the development of her national life. The moment is opportune, as prices for shipbuilding have never been lower, and within the next few years they may greatly increase, and this factor alone should go far to inspire confidence in the project. The time is also opportune from a managerial and expert point of view, as the steamships now on the Atlantic, and those shortly to be placed upon it by the American Company, are not likely to be surpassed for many years, except by the proposed Canadian-Atlantic liners.

Mr. Huddart
to devote his
life to the
business.

We are surrounded by the best advisers, and the friendliness which this project is now receiving from the public, and the confidence which the Dominion Government has shown in us, justify us in predicting that the company will immediately be floated, and at once be established firmly as a dividend-paying institution of the highest national and commercial importance.

The Imperial importance of the proposed steamship company has been universally recognized, and not before in the history of the British Empire has any commercial enterprise been initiated with more public friendliness or with greater potentialities.

I am, etc.,

JAMES HUDDART.

22 Billiter St., London, E.C., 11th August, 1894.

MESSRS. ALLAN.

TO THE EDITOR OF THE *TIMES*.

SIR,—Mr. James Huddart has, in your issue of the 14th inst., commented with severity upon our letter which appeared in your columns on the 11th inst.

Our letter was written to show the unfairness of certain strictures upon the Allans of one of the speakers in the Commons' debate upon the subsidy vote.

Although his name was only once mentioned in our letter, Mr. Huddart has treated it as an attack upon himself and his project, and in doing so is both unjust to us and inaccurate in various of his statements; and, although we know how unwelcome to you a discussion must be that contains the personal element, we venture to hope that you may accord us space to vindicate ourselves.

**The Hotel
interview.**

Mr. Huddart describes an interview he had with two of our members whom he visited at the Hotel Métropole (not Victoria as he states) on the 11th of April, and gives a version of its result which does not accord with ours, and of the correspondence which preceded the interview that incorrectly represents the facts. On both of these points we desire to set him right. The "crystallization" of the conversation which he attributes to Mr. Dunlop is obviously erroneous. No one having it in his mind to discredit his scheme would be so impolitic as to disclose to him his purpose.

Its object.

The object of the interview was to learn from him the promised details of his plans, that we might see if we could take the part in them he desired.

**Plans and
data crude.**

His plans and *data* were in the crudest shape, showing to us that he had not the knowledge necessary to the undertaking. We suggested to him that when they were further matured he should again communicate with us. At the close he besought us, if we could not join him, that we should not discredit his scheme. No doubt the adverse criticisms afterwards of it by the Canadian Press and its ridicule by its comic papers may have suggested to his mind that "we were (as he says) pulling the wires in Canada," but it has no foundation in fact.

**The corres-
pondence.**

Then, as to the correspondence which led up to the interview, he describes it as making "evident that our respective interests were irreconcilable," that it was suspended, and after a long silence that we invited an appointment.

The correspondence is at your call or his. It opened on March 16 by his asking an interview with us, and was continued without intermission till April 6, on which day Mr. Huddart wrote that "as Mr. Dunlop was to visit London before long it was not necessary to write further." The visit and interview took place on April 11. There was, therefore, no long silence before the interview, and certainly none on our part. In the correspondence our respective interests were not weighed at all the one

against the other, and it never became "evident" from it "that our interests were irreconcilable."

Then, as to the subject matter of the correspondence, it was devoted to an effort to elicit from him how he thought we could co-operate, and as a preliminary we asked in what respect his agreement with the Government differed from that of the late Mr. Bryce Douglas, whose scheme we had examined and found impracticable.

He represented Mr. Douglas' scheme as having £50,000 less subsidy than his, but we informed him that they were alike in this. He attributed the failure of Mr. Douglas' scheme to this, and to other causes which he named, as well as to his untimely death; but his letter to you now attributes its failure as wholly due to his death.

One of our letters contained matter that was distasteful to Mr. Huddart for reasons that came out afterwards. When referring to the abandonment of Mr. Douglas' scheme, and asking in what respect his was more hopeful, we wrote:—"It would be a great misfortune to embark on an enterprise that had not the elements of success in it. Such a service might last for a short period, until the borrowing powers upon the property became exhausted, but this would be ruinous to the contributors of capital, and discreditable to its promoters." And we went on to say "we had noticed in a London paper that his (Mr. Huddart's) proposal to set aside in the hands of trustees a portion of the Government subsidy to meet the interest upon stock was represented as affording a security calculated to inspire confidence in bondholders, and we thought it unfortunate that a delusive statement of this kind should be in currency, as obviously such hypothecation of subsidy would afford no security either for interest or principal. If the service itself were unprofitable and could not be maintained, the payment of subsidy would cease, and so would the security."

Comments on
the security
offered by Mr.
Huddart to
bondholders

Mr. Huddart wrote a sharp answer to this, for which he afterwards apologized. He stated that the Government was prepared to set aside part of the subsidy to meet bond interest: "That is done (he says) by the Dominion Government to inspire confidence;" but he added that "he who runs may see that if the company earns no subsidy that interest cannot be paid."

It was not, however, so clear to the runner as Mr. Huddart

here indicates, for we find that the proposal deceived such an acute mind as Sir Richard Cartwright's, and would certainly have misled simpler and more confiding people.

How the security was regarded in Canadian Parliament.

Sir Richard in the debate regarded the proposal as a security "that would practically make the Canadian Government responsible for the greater part of the capital that was to go into the steamers." This he characterized "as a foolish and suicidal arrangement for the Government to enter into," and he was only satisfied when the Finance Minister rose in his place and said that the interest would only be paid out of subsidy earned, and therefore the proposal did not commit the Government to anything more than the mere payment of earned subsidy.

Mr. Huddart's preliminary prospectus.

It has since transpired that Mr. Huddart's preliminary prospectus contemplated raising £2,750,000, of which £1,500,000 was to be secured in the manner alluded to. If £1,500,000 could be raised on the so-called security of the subsidy, the enterprise, however bad in itself, could go on until it lost the bulk of the £1,500,000, for it could borrow money on the security of the fleet in which it and the other capital raised might be invested, and which, if the enterprise failed, would wholly disappear.

We had thus at an early stage put our finger on a weak point of Mr. Huddart's scheme, which raised his ire. So much for the correspondence and interview.

The railway connections.

Mr. Huddart adversely criticizes other parts of our letter. He represents it as trying to show that it is a disadvantage to have to work with three great railways, and adds, "It appears to him that if he had not these railways to help, his position would be more difficult." In this he agrees with us that he is mainly dependent on these, and our purpose was to suggest that they were insufficient; our remark was that it was "not a cheerful look-out for a line that has to develop a great trade that it should be dependent upon the co-operation and good-will of railways (a single line in winter and two in summer) which, however friendly, were to have no stake in the undertaking."

High speed cannot be maintained

With reference to the difficulty we felt and stated in regard to a scheme which required vessels of great speed and cost, whose speed could not be utilized, he would have you believe that we argue that a 20-knot speed cannot be safely run where a 14-knot may be. Every one knows that the one may be as safe as the

other in clear weather. Our representation was that in the weather and waters where this service is to run the high speed cannot continuously nor to the same degree as on the New York route be safely maintained, and a trade and subsidy that is to be made and earned by such speed on the Canadian route is at serious disadvantage.

He contrasts the safety of mail with cargo steamers as if it proved something favourable to the former, ignoring the fact that there are only five mail steamers on the route against an enormous fleet of cargo boats, and also that even the present mail boats subordinate speed to safety. In a recent voyage of one of the swiftest, she steamed only 190 knots one day and 71 the next because of fog, her full speed being 350 knots. She was in company with a cargo boat of low speed for 5 days.

Safety of mail steamers.

Mr. Huddart says it is not his intention to run his boats at 20 knots; but how is he to contend with boats that maintain even higher speed, and for what, if not for high speed, is the subsidy to be paid? He also feels assured that the period for which he will receive the full subsidy will run for 20 years. This will be a new experience among Governments; the history of the past everywhere has been that when services are once established the tendency is to reduce the subsidy. We once had a very high subsidy guaranteed for 7 years, but before the period was run we had to take half the amount because of lessened speed that we deemed necessary for safety.

Subsidy guaranteed for a period.

Mr. Huddart remarks that in stating that safety is mainly due to increased watchfulness we give our case away, for it brings in the human factor—the difference between one man and another. Surely Mr. Huddart does not here wish to contrast the difference between himself and us to our disadvantage. If this be his meaning, we can only say that we know nothing of Mr. Huddart's management of ships, but it is not safe for any one to claim superiority over another, and we notice that the *Canadian Gazette* of the 2nd inst., which reports an interview with Mr. Huddart, also records that the steamer *Miowera*, which he is said to manage, has been twice ashore, once on the rocks at the entrance to Honolulu harbour, and again on July 31 on the west coast of Norway.

Safety of steamers under Mr. Huddart's management.

Mr. Huddart has some remarks to make upon the Allan

loyalty to the Dominion that we think he might have spared. If he succeeds in gaining the confidence of the moneyed public, and establishes successfully a service that none of the companies engaged in the Atlantic trade have been willing to embark their own fortunes in, or those of their friends, he will deserve and receive a high place in public estimation.

We are, yours truly,

JAMES & ALEX. ALLAN.

25 Bothwell Street, Glasgow, 16th August, 1891.

Lord BRASSEY.

TO THE EDITOR OF THE *TIMES*.

SIR,—My friend Mr. Huddart has asked me to assist him at the present important juncture in putting before the British public the advantages of an accelerated mail service between England and Canada and Australia.

The project merits public support on many grounds, and chiefly as tending to promote the unity of the British Empire. That is the object desired alike at home and in the colonies. The difficulty has been to suggest practical steps. On two occasions I had the privilege of introducing to the Prime Minister deputations from the Imperial Federation League. We had no ground to complain of the reception accorded to us. Our first interview was followed by a conference held in London, at which the colonies were ably represented. The reinforcement of the Australian squadron at the expense of the colonies was the chief outcome of deliberations which were mainly directed to the defence of the Empire.

Federation
scheme.

Our second interview with Lord Salisbury elicited the important suggestion that the time had come when schemes of federation should be proposed. The challenge of the Prime Minister was answered by the League in a report, the reception of which by the Press and by public opinion was a source of satisfaction to all concerned. But we have not found that action has been taken upon our suggestions. We may claim that they were feasible and desirable. We must acknowledge that there was no immediate necessity for their adoption. It has never been the way of British

statesmanship to occupy itself with questions in anticipation of ulterior exigencies. If, however, it is wise to wait for fitting occasions before attempting to alter existing constitutional relations between the mother country and the colonies, all will recognise that whenever opportunities offer we should not neglect them.

The practical steps which may now be taken were made clear by the recent proceedings at Ottawa. That second great colonial conference gave its attention especially to the improvement of telegraphic and postal communications. All the delegates who attended were agreed as to the desirability of opening up a new line of communication under the British flag between the mother country and Australia through Canada. The recommendations of the conference have been emphasized by something more than empty declarations. It is proposed to connect the Eastern terminus of the Canadian railway system with England, and the Western terminus with Australia, by a service of four large 20-knot steamers on the Atlantic and five swift steamers on the Pacific. The cost of these vessels is estimated at £3,000,000. The subsidies asked from the Governments concerned amount to £300,000 a year. Towards this amount Canada has voted £175,000. The Imperial Government is asked to contribute £75,000 and Australia £50,000. If Canada has a special interest in establishing a new trade and postal route across her vast dominion, we have interests of hardly inferior magnitude in the development of communications with our colonies. It is a circumstance that should have its due weight that, while Canada finds a large proportion of the money, all the expenditure on the construction of the ships will be incurred in the United Kingdom. Turning to the Australian Governments, if we display a wise liberality they may be trusted to follow.

The conference at Ottawa and its recommendations.

Ships will be built in the United Kingdom.

In granting assistance to Mr. Huddart's scheme every care should be taken to insure that the public money is applied to the best advantage. Conditions may be inserted requiring the conveyance at low rates of troops to Hong-kong and relief crews to the Australian, Pacific, and China stations. It may be insisted that the specifications and plans for the new ships shall insure their fitness for service as scouts or auxiliary cruisers. In view of the desirability for increasing the means of training the engine-room complements of our ships of war, it might be arranged that the Admiralty should have the option of sending officers and men from the steam reserves for temporary duty in the new ships. We

Conditions on which money should be granted.

are losing a valuable training service by the decision recently taken to do away with the Indian troopships.

The subsidy now asked for may be in part made up by some reduction in the amounts now paid for mail services by other routes. It is in the initiatory stages that the helping hand of the Government is most needed. Once established, a service which meets a real public want may be efficiently conducted with diminishing assistance from the Treasury.

Allan Line
representations.

It has been urged by the representative of the Allan Line that the Gulf of St. Lawrence presents special difficulties to the navigator. The Allan Line has been free from disaster for many years. If its present proprietors had been men with the same enterprise and the same inducements to face the risks of business which animated the founders of their undertaking, they would have put vessels on their line which would have been capable of earning the subsidy which has been granted to a rival.

In considering the present demand we may appropriately ask ourselves how such a proposal would be received elsewhere. With comparatively insignificant commercial interests at stake, lavish subsidies are paid by Italy for a service to India, by France and Germany for services to China, Australia, and America, and by Russia for a fleet of volunteer cruisers.

Subsidy
necessary for
speed.

The British Government has been able, through the keen competition in our mercantile marine, to make large reductions. Economy should not be pushed too far. High-speed services across the ocean can only be performed by subsidized steamers.

In conclusion, I return to the argument with which it was sought to open the case. To preserve our Imperial unity is a primary object of our public policy. We desire to make the value of the connexion with the mother country felt in all the colonies. When, therefore, our co-operation in furtherance of a common object is asked by such a conference as that lately assembled at Ottawa, it is not wisdom to refuse assistance.

The decision to be taken must largely depend on the report of Lord Jersey. It is earnestly to be desired that no hesitation will be shown if he recommends that the new Canadian services to Australasia should be subsidized.

I have the honour to be, Sir, your obedient Servant,

BRASSEY.

Dalnacardoch, N.B.

MESSRS. ALLAN.

TO THE EDITOR OF THE *TIMES*.

SIR,—In your issue of Saturday, 8th inst., Lord Brassey states he has been asked by Mr. Huddart to assist him in putting before the British public the advantage of an accelerated mail service between England and Canada and Canada and Australia, and, responding to the request, he has placed these advantages forcibly before the public.

Lord Brassey is well equipped for the work; he possesses a powerful pen; colonial federation is dear to him, and has been his favourite theme; and he was closely associated with the efforts made by the late Mr. Bryce Douglas, who was his co-director in the Naval Construction and Armaments Company, Barrow, to establish a service of precisely the same character, and which was to receive exactly the same Government help—Dominion and Imperial—as is promised to the project he now supports. Lord Brassey has the further advantage of having been at the time (the spring of 1891) in the fullest confidential communication with ourselves upon Mr. Douglas's project, for his idea and desire then was that we should take the lead in the enterprise, and this we were prepared to do if it gave reasonable promise of success.

Lord Brassey's connection with former schemes.

Lord Brassey's purpose in interesting himself in the former project, and now in the present, is specially to promote, by federation of the colonies, the unity of the British Empire, and he believed then, as he does now, that he saw in the swift Atlantic steam project a great means towards its attainment.

Mr. Douglas's object was more commonplace. He did not concern himself so much for the federal idea as to create a new Atlantic service, and to be the builder at Barrow of the necessary fleet.

His co-director's object was to get steamers to build.

Upon Lord Brassey's advocacy of the federal idea, which forms the main part of his communication, we have not a word to say, save to express our sympathy with his high aims.

But he condescends to write of ourselves as follows:—

“It has been urged by the representatives of the Allan Line that the Gulf of St. Lawrence presents special difficulties to the navigator. The Allan Line has been free from disaster for many years. If its present proprietors had been men with the same

enterprise and the same inducements to face the risks of business which animated the founders of their undertaking, they would have put vessels on their line which would have been capable of earning the subsidy which has been granted to a rival."

Allans' want
of enterprise
considered.

On this you will, we trust, not deny us the privilege of remark.

We claim for the Allans that they are not yet destitute of enterprise, and it is no evidence that they are that they have been unable to give Canada a greatly improved mail service. Canada originally and for years gave a proper subsidy for the service the Allans established; but when, for considerations of safety, the Allans took power to lengthen their passage by moderating the speed of their steamers in fog, &c., and which has given the service the reputation for safety Lord Brassey accords to it, the Government reduced the subsidy, and when the service ceased to pay the Government, even at the risk of the abandonment of the service, would not advance it. The only condition on which an advance would be given was that new steamers should be provided of the most costly type and of the highest power—costly to build, costly to run, costly to insure—and which, when built, must frequently over a considerable part of the route run at the pace of the humblest cargo boat, or pay the penalty in marine disaster. For such steamers, high as the subsidy was, it was only "a drop in the bucket" towards their expenditure. Their cargo space would no longer be worth considering as a means of revenue, and the high-class passenger trade necessary to their support could not, without the highest speed and corresponding safety, hope to be made.

Subsidy
inadequate.

How, we ask Lord Brassey, could we, however enterprising, improve our mail and passenger trade in these circumstances? For nearly ten years we have had hung over our heads this demand of the Canadian Government which we could not meet, but which hindered our giving a better service than we provided. It is a praiseworthy ambition theirs. But they are generous with their money for a scheme that is impracticable and will disappoint their expectations.

Misplaced
generosity.

To encourage them or the British Government to pile up subsidy, and the British public to provide the funds to do the impracticable, is not wise or statesmanlike, even although, as Lord Brassey says, "all the expenditure on the construction of the ships will be incurred in the United Kingdom."

When Lord Brassey was in communication with us in the spring of 1891, we very earnestly sought to join hands with him in Mr. Douglas's scheme, and we patiently examined the calculations on which it was based.

Mr. Bryce Douglas's scheme not only had for us the charm of placing us at the head of the important service he projected, but the temptation of transferring to the Imperial Company, which he was to promote, on advantageous terms, the whole "Allan" fleet. We, however, wrote Mr. Bryce Douglas in March, 1891, as follows, the letter being communicated later to Lord Brassey:—

"It was the very earnest desire of the Allan Owners to have a part in any improved service that might be established between this country and Canada. The time has come when an improved service should be possessed by the colony, and having provided from the beginning that which it has had, they were, as you can well understand, ambitious to have a part in the new service. It also naturally lay to their hands, who are largely in the trade, to help to provide it. This being so, we need not tell you that the possibilities of establishing the service were canvassed from every point of view, and that every modification of the Government contract conditions which seemed feasible was considered."

With reference to the commercial aspects of the scheme we went on to say:—

"But the result of all this has been to force the conviction upon us that the service cannot be established with any hope of yielding a revenue to pay any dividend whatever to the shareholders of the company; on the contrary, the most liberal estimate that could be countenanced fell short of even paying steamers depreciation."

If Lord Brassey has not forgotten this communication, surely, before condemning us in the eyes of the public for want of enterprise, he should first have shown, when he desired to help his friend Mr. Huddart with the British public, that his enterprise would not only establish the Empire but pay the shareholders.

Lord Brassey forgets that in the end he wrote to us the conviction of himself and his colleagues of "the necessity of direct support being given by the Canadian Pacific Railway and the Grand Trunk." You will recollect one of the points we made in a recent letter to you on this question, called forth by one of Mr.

B. Douglas's scheme.

Why Allans could not join it.

Service unable to yield a dividend.

Lord Brassey forgetful.

Huddart's, was that the trunk railways were to have no direct stake in the enterprise. So much did we agree with what Lord Brassey then wrote on this point, and so desirous were we, if it were possible, to see Canada obtain the service it sought, that later we offered, even against our better judgment, to provide a considerable section of the service and risk its success if the railways had sufficient confidence to provide the rest.

We trust that the question will soon be settled one way or another, that we may be set free to pursue a clear course. The craving for the impracticable in the past has hindered the development of Canadian trade, and the best being made of such natural advantages as the St. Lawrence possesses.

We are, yours truly,

JAMES & ALEXR. ALLAN.

25 Bothwell Street, Glasgow, Sept. 10.

Mr. HUDDART.

TO THE EDITOR OF THE *TIMES*.

SIR,—I shall be thankful if you will be good enough to find space in your columns for the enclosed copy of a letter which I have received to-day from Admiral Sir John Hopkins.

It almost seems like slaying the slain to make further reference to the question of the safe navigation of the Gulf of St. Lawrence. **A discovery.** But it is interesting to note, from a Blue-book which has been published by the Dominion Government on papers in reference to the Atlantic steamship line, that, under date Montreal, May 28, 1891, Mr. Andrew Allan wrote a letter, offering, without qualification, to supply steamships of 20 knots an hour speed, in consideration of a subsidy of £5,000 sterling a voyage. This, however, was declined by the Dominion Government, in a letter signed by Mr. Foster on June 6.

Its humour. Perhaps you can find room for the attached copy. It forms an interesting if not a humorous comment on the letter of Messrs. James & Alexander Allan, which appeared in your issue of August 21.

I also enclose a copy of the Blue-book referred to above, and remain, Sir,

Your obedient Servant,

JAMES HUDDART.

22 Billiter Street, London, E.C., Oct. 18.

VICE-ADMIRAL HOPKINS.

“Admiralty House, Halifax, 6/10/94.

“Dear Mr. Huddart,—I am in receipt of your communication of September 20, *in re* the fast service between England and Canada, and in reply beg to make the following remarks:—

“It is obvious that no one can for a moment gainsay the immense advantages of rapid transit between Canada, the United Kingdom, and the West, *via* the Canadian Pacific Railway, and it seems a pity that the enterprise and genius of the men who have completed a magnificent service for the major part of this route should not now be backed up by some further enterprising company, able and willing to furnish the means of bridging over the remaining portion of the journey in far shorter time than at present by placing on the route between England and Canada a line of steamers whose speed is up to date.

“In previous discussions on the subject, the navigating dangers have been ‘red-herringed across the trail’ in a disproportionate ratio to their difficulties, and these may be dismissed as ‘existing but readily surmounted,’ and I feel confident that most of the very able men who at this moment command the mail steamers of both the Allan and Dominion Lines would unhesitatingly and with alacrity exchange their present vessels for steamers running at a 20-knot speed. The average detention by fog can be easily ascertained, and this must be added to the length of the voyage; but this will be no greater for a fast than a slower ship, and does not affect the question.

“As a friend and admirer of the rising Dominion of Canada, I have not hesitated, on the few occasions on which I have spoken in public, to urge those whom I had the honour to address to leave

no stone unturned to make this connecting link in their rapid transit route from East to West, and have reminded them that both the Canadian Pacific Railway and the "Empress" connecting line of steamers on the Pacific side were duly "croaked" at in the initiatory stage by many who are doubtless proud of the magnificent success of both ventures, and the undeniable benefits they confer on Canada in every way.

I am, dear Sir, yours truly,

J. O. HOPKINS, Vice-Admiral."

MR. ALLAN'S LETTER.

"Montreal, May 28, 1891.

"The Right Hon. Sir John A. Macdonald,
G.C.B., Ottawa.

"MY DEAR SIR JOHN,—I have a letter from my friends in Britain to-day, informing me that the syndicate who have been so long trying to float a company to take up the contract for the swift mail service have practically failed to raise money enough to build steamships having the necessary speed asked for by the contract.

"If the Canadian Government still favour a speed of, say, 20 knots an hour I think I, with my friends in Glasgow, Liverpool, and London, would now be willing to contract for the requisite number of such ships for a subsidy of £5,000 stg. a voyage.

"If you think you and your colleagues would entertain such a proposition favourably I shall enter into communication by cable with my friends at once.

"An early answer will oblige.

"Yours faithfully,

"ANDREW ALLAN."

MESSRS. ALLAN.

TO THE EDITOR OF THE *TIMES*.

SIR,—After the lapse of two months, when your readers have probably forgotten our letter which appeared in your issue of August 21 in reply to Mr. Huddart's of 14th idem, Mr. Huddart resumes the discussion, ostensibly to answer us.

Our letter was one of a series which, by your courtesy, appeared in the *Times*. These letters discussed from various points of view the character, as a commercial enterprise, of the adventure which Mr. Huddart had undertaken, and were written to justify the declination of the Allan Line to be parties to it, either by themselves or in conjunction with Mr. Huddart. Object of the Allan letters.

In his letter of the 18th inst. Mr. Huddart gives copy of one addressed by Mr. Andrew Allan to the Prime Minister of Canada in May, 1891, which, he states, "forms an interesting if not a humorous comment on ours which appeared on August 21." He further gives copy of a letter he has received from Vice-Admiral Hopkins, in which the Admiral states that it seems a pity that the enterprise of the Canadian Pacific Railway Company should not be backed up by some enterprising company able and willing to furnish the fast line of steamers which Mr. Huddart desires the British public to supply. Admiral Hopkins.

Touching the dangers of the navigation, Admiral Hopkins refers to them as things to be dismissed—"they had been reherringed across the trail." It will be in your recollection that he recently spoke much to the same effect in an after-dinner speech, and was reported by an interviewer to have added that the fog dangers of the navigation could be overcome by placing a buoy outside of the Straits of Belleisle!

Mr. Huddart's immediate object in his letter of the 18th inst. is apparently to suggest that the whole case for his enterprise rests upon the questions of the safe navigability of the Gulf of St. Lawrence, and the possibility of employing in the service vessels capable of steaming 20 knots at sea, and that our letters only dealt with these. The Admiral's letter is given to establish the one point, and Mr. Allan's the other, the humour of the latter lying in Mr. Huddart's representations.

the fact that in 1891 Mr. Allan himself offered to provide 20-knot steamers.

How to characterise them.

We hardly know how to characterise this treatment of the subject by Mr. Huddart, or how fitly to reply to him in your columns. Either he does not appreciate what has been written concerning his scheme, or he deliberately ignores or misrepresents it.

Gist of letters.

In our letters already referred to we pointed out that the carrying capacity of steamers capable of running at the speed of 20 knots at sea was in inverse proportion to their speed, and that their cost to build and to run was enormously great; that the subsidy to be given to them, large though it be, was but as "a drop in the bucket" towards their expenditure; that they had to seek their earnings from a passenger trade that had to be created by diversion from other competitors more favourably situated; that the hope of creating or diverting to themselves such a trade lay in the maintenance of high speed, combined with safety, equal, if not superior, to their New York competitors; and we maintained, and still do so without fear of contradiction, that such speed is incompatible with safety on the St. Lawrence route, and the winter change to a terminus in Nova Scotia is a further barrier to the development of the necessary trade.

Unwisdom of piling up subsidy to extent necessary.

We never professed that steamers of a speed of 20 knots at sea could not be provided. What we maintained was that such a speed could not be continuously utilized with safety, while the enormous cost of its provision and maintenance could not be escaped from. We added that to encourage the Canadian or the British Government to pile up subsidy, and the British public to provide funds for such a service, was neither wise nor statesman-like. Mr. Allan's letter, which Mr. Huddart quotes for a different purpose, is perfectly consistent with this.

He did say to the Government of Canada that if they still favoured vessels capable of steaming 20 knots at sea we might provide them, but we required a subsidy of £5,000 a voyage—a very different thing from Mr. Huddart's idea of doing the service to profit for little more than half the money, and this only to be given for a limited period.

It is, however, specially to be noted that Mr. Allan's letter in no way expressed any approval of the 20-knot service; it was

simply a suggestion that if the Government were determined to have such a service we would endeavour to provide the same at the subsidy which we deemed essential for commercial success.

We are, yours truly,

JAS. & ALEXR. ALLAN.

25 Bothwell Street, Glasgow, 25th Oct., 1894.

P.S.—Since writing the foregoing we have received a cutting from the (New York) *Journal of Commerce* of October 15, a copy of which we append hereto, and which, you will remark, accords strikingly with the views we have expressed with reference to the navigation of the Gulf and River St. Lawrence, and the northern route which a fast service would have to take.

J. & A. A.

DOMINION GOVERNMENT OFFICIALS.

Extract from the (New York) *Journal of Commerce*,
October 15, 1894.

“ The Scheme Impracticable.

“ No 20-knot Steamships between Canada and Great Britain.

“ Ottawa, Ont., Oct. 12.—The scheme for placing a 20-knot steamship service on the Atlantic route between Canada and Great Britain, and towards which the Dominion Parliament last Session voted an annual subsidy of three-quarters of a million dollars, has received a severe setback in the repudiation of the scheme as impracticable by the Deputy Minister of Marine, who has had more than 30 years' experience as head of the Marine Department of the Canadian Government.

“ Mr. Smith says it is folly to talk of running steamships through the St. Lawrence River and Gulf at the high rate of speed as proposed by Mr. Huddart and his associates. The idea is utterly impracticable, he says. He ridicules the views expressed by

Admiral Hopkins and others that there are no obstructions to prevent a high rate of speed being maintained in the St. Lawrence.

“Viewed as a commercial enterprise, he contends that the proposed fast line of 20-knot service between Canada and Great Britain can never prove a financial success.

“It is also understood that Commodore Wakeham, who for 20 years has been in charge of the fishery protective cruisers in the River and Gulf of St. Lawrence, and whose knowledge of the navigation of these waters is greater than that of any other living man, holds the same views as the Deputy Minister of Marine.”

REPUDIATION BY CAPTAIN WAKEHAM.

EXTRACT FROM THE *TIMES* OF

2nd NOVEMBER, 1894.

CANADA.

OTTAWA, November 1st, 1894.

CAPTAIN WAKEHAM, the officer in charge of the Canadian fishery protection fleet on the St. Lawrence and in the Gulf, perhaps the highest living authority on St. Lawrence navigation, emphatically repudiates the statement attributed to him by Messrs. Allan, that a high rate of speed on the St. Lawrence is impossible, and that Mr. Huddart's scheme is impracticable.

Writing to Sir C. Tupper to-day, Captain Wakeham says:—
 “I beg to say that I have expressed no such opinion. You are yourself aware that I am of a contrary view, as I hold that the greater the speed the greater the safety. The fast ship will be much less likely to be affected by local currents, and, while she is better able to take every advantage of clear weather than a slower boat, she need go no faster than prudence would warrant in thick weather. These facts should be patent to any one, and cannot be open to contradiction.”—OUR CORRESPONDENT.

MR. SMITH REPUDIATES.

TO THE EDITOR OF THE *TIMES*.

SIR,—Owing to absence from London, my attention has only recently been called to a letter in your issue of the 31st ult. from Messrs. J. & A. Allan, of Glasgow, respecting the Canadian Fast Mail Service. In a postscript to that communication is quoted an extract from the *New York Journal of Commerce* of October 15, in which I am reported to have stated that the scheme, as proposed by Mr. Huddart, is impracticable, and that it can never prove a financial success.

I notice from an Ottawa telegram in your issue of the 2nd inst. that Captain Wakeham, whose name was associated with mine in the matter, emphatically repudiates those statements, and I shall be obliged if you will give me an opportunity of stating in your columns that I generally endorse the terms of his contradiction. So far from regarding the scheme as impracticable, I may say that I consider the proposed scheme quite feasible. The navigation of fast steamers would naturally require the observance of the same precautions as in the case of slower vessels, but fast steamers possess advantages slower ones do not, as explained by Captain Wakeham in his letter to Sir Charles H. Tupper. I also concur in his opinion that "the fast ship will be much less likely to be affected by local currents, and that, while she is better able to take every advantage of clear weather than a slower boat, she need go no faster than prudence would warrant in thick weather."

The excellence of the lighting of the shores of the Gulf and of the River St. Lawrence has often been commented upon both by Admiral Sir John Hopkins, his predecessor, Admiral Watson, and others; and the safety of the route at the present day is most effectively illustrated by the large number of vessels passing up and down the river during the season of navigation. This, in itself, amply justifies Sir John Hopkins's views as to the possibility of a high rate of speed being maintained, and, instead of ridiculing these opinions, as reported to have done, I am prepared to endorse them.

I have not made, and do not intend to make any remarks upon

the scheme from a financial standpoint, and it would be out of place for me, as a Government official, to do so. In any case the commercial aspect of the question is one for capitalists, merchants, and shippers, who are much more competent than I am to discuss it; and I am sure that Mr. Huddart will be prepared to render them any help they may need in forming an opinion upon that part of the subject.

I am, Sir, your obedient Servant,

WILLIAM SMITH.

Deputy Minister of Marine and Fisheries of Canada, and a Member of the Board of Trade Committee for the Manning of British Ships.

Craven Hotel, Craven Street, Strand, 12th Nov., 1894.

MESSRS. ALLAN ON THE REPUDIATION.

TO THE EDITOR OF THE *TIMES*.

SIR,—To our letter which appeared in your issue of the 31st ult. we appended a short article from the *New York Journal of Commerce*, which recited the reported opinion of Mr. Smith, the Deputy-Minister of Marine for Canada, and that of Commander Wakeham, in charge of the fishery cruisers, upon the proposed fast service.

Mr. Smith's
views.

The views of Mr. Smith, in which Captain Wakeham was believed to concur, shortly stated, were that it was folly to represent the navigation as presenting no obstacles to the maintenance of high speed. Mr. Smith was further represented as believing that, as a commercial enterprise, the fast line can never prove a success.

The article appearing uncontradicted in a paper of such high standing, and the opinions being exactly those we should expect these gentlemen to hold, we had no hesitation in giving it a place in our letter. The dissemination of the views attributed to these officials, differing as they do from those adopted by their Parliamentary chief, could not but be distasteful at headquarters, and we are not surprised at what has followed. Captain Wakeham has

addressed a letter to Sir Charles H. Tupper, Minister of Marine, and its substance was cabled to you a fortnight ago. Mr. Smith, presently in this country, has addressed yourselves direct. As both communications seem to reflect upon ourselves, as well as to contradict what has been stated by the *Journal of Commerce*, we take leave, with your permission, to comment upon them.

Captain Wakeham, who writes from Ottawa, has assumed that we have attributed to him the opinion that 20-knot steamers cannot be employed in the St. Lawrence with safety, and by this means not only does he find opportunity to contradict the statement, but to imply that we advocate this opinion. We feel aggrieved at the persistence with which it is endeavoured to fasten on us the view that it is less safe to employ 20-knot steamers than slower ones. We disclaimed this in our letter of August 16, stating that where it was safe to run at 14 knots it was equally safe to run at 20 (and in this we are at one with Captain Wakeham); but we held that in the weather and waters where this service is to run the high speed cannot continuously, nor to the same degree as on the New York route, be safely maintained, and a trade and subsidy that is to be made and earned by such speed is at serious disadvantage. Captain Wakeham's contradiction does not touch this point at all, and, even with his obviously strong desire to support the views of his chief, his good sense constrains him to add that "the swift vessel need go no faster than prudence would warrant in thick weather," which is really the kernel of the whole question as to navigation.

He could not add that climatic conditions, and freedom from navigation dangers, were as favourable on the one route as the other. His every-day experience would contradict this; the published reports of his Department would contradict it; the premium of insurance for the St. Lawrence trade would contradict it; and as to the commercial aspect of the question, on which, however, he offers no opinion, the history of the mail and passenger trade of the last ten years would confute him. As to the first, we take a single phrase from the Government Blue-Book report for 1890, at page 94:—"From 25 miles east of Belleisle to abreast of Greenly Island passed innumerable large icebergs and detached pieces of ice." "Icebergs were met in the Straits by all vessels passing there this season, up till the end of October; in-

Misrepresent
our state-
ments.

What the
Allans did
hold, and
which Capt.
Wakeham
does not
contradict.

Why he could
not contra-
dict the
Allans.

numerable bergs were met with east of the Grand Banks, and for 80 miles south of Cape Race."

Steamer
struck an ice-
berg.

In one of our letters we mentioned that this season one of our steamers struck an iceberg at $3\frac{1}{2}$ knots speed, destroying her bows. What would have happened had the speed been greater? An Atlantic greyhound this season is reported to have, in a fog, run down a barque, herself receiving no harm—the barque, and all on board, disappearing. Had it been a berg, the case would have been reversed.

Fog signals—
a word for
Admiral Hop-
kins.

Then as to fog and the fog signals, on which some stress is deservedly set, the Department warns navigators in these words:—"It cannot be too emphatically impressed upon them that a sound signal is under no circumstances so reliable as a light, for the best sound signals will give varying results under varying conditions of atmosphere."

Turning to Mr. Smith, whom we hold in the highest esteem, and from whose Department the book from which we have been quoting issues.

Mr. Smith's
repudiation
reviewed.

His letter is dated from the Craven Hotel, and reminds us of the story of Galileo when abjuring before the Inquisition his belief in the earth's motion, muttering "But it still goes round." He notices that Captain Wakeham repudiated certain statements, and he "generally endorses the terms of his contradiction." We have shown that the statements contradicted were never made. He proceeds that he believes the scheme of running fast steamers is quite feasible, but he adds—and it is here that his fairness comes prominently out—that "the navigation of fast steamers would naturally require the observance of the same precautions as in the case of slower, and the faster need go no faster than prudence would warrant in thick weather. In an earlier letter we gave an illustration from this year's experience of a fast boat, because of fog, only going 190 miles one day and 71 the next; she was in company with one of our slowest boats for five days, unable, owing to the fog, to utilize her speed.

We also mentioned how we had to stipulate in a mail contract that we were to be free to slacken speed or stop for fog and ice and thus lengthen our passages without penalty, but were obliged to yield up half our subsidy for the concession.

Mr. Smith wisely declines to offer any remarks on Mr. Huddart's scheme from a commercial standpoint. This, he says, "is a question for capitalists, merchants, and shippers, on which Mr. Huddart can enlighten them." Mr. Smith, no doubt, knows the commercial disadvantages of a costly service and difficult navigation, and the consequences attendant on change of terminus in winter, and has probably heard that, since this correspondence opened, one of the great passenger services of Canada has had to go into liquidation, and another to change its management. Mr. Henry Fry, Lloyd's agent at Quebec for many years, formerly the head of the United Boards of Trade in Canada, and who is recognised as of the highest authority on navigation, published last month an elaborate statement on the character of the St. Lawrence navigation and route, endorsing and elaborating all the views we have given. His letter is too long to quote, but it is at your call.

On the commercial aspect of the scheme.

Mr. Fry's letter.

A word in conclusion. Our part in the correspondence has been to justify our abstention from this scheme. We have been obliged to maintain that the speed, which is an essential factor, though only one, to its commercial success, is incompatible with safety, but we have no desire to cry down the character of the St. Lawrence navigation, while obliged to admit that it is not on a par for safety with that of New York. We have ourselves demonstrated that with due precaution, and steamers being always slowed or stopped when ice, fogs, or snowstorms prevail, it is fairly safe, and that the climatic disadvantages of the route can be overcome by the "subordination of speed to safety." But we have not stopped at the mere arguing against this scheme. We have presented to the Government strong reasons for their preferring, for the sake of Canada, a system of service that will at once secure the highest rapidity of voyage that the nature of the navigation admits of, combined with other classes of service that will give the greatest facility for the transport of Canadian produce. We have shown that in this lies the true solution of their beneficent purposes, leaving them, so far as we are concerned, free to choose their own instruments for its attainment.

Our object in the correspondence not to decry the navigation.

Have given a suggestion to Government.

We are, yours truly,

JAMES & ALEX. ALLAN.

25 Bothwell Street, Glasgow, 15th Nov., 1894.

